The China Weekly

REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

What Will Happen If Japan Denounces the Naval Treaty

ARTICLES IN THIS ISSUE

Big Battle, Hot News, But It Didn't Happen

More Free Trips for Journalists, Students, Everybody!

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BIG BATTLE, HOT NEWS, BUT IT DIDN'T HAPPEN

THE *New York Times* on July 2 published a report from a correspondent in Hankow stating that the red-bandits had suddenly attacked General Chiang Kai-shek's forces in Kiangsi province and had inflicted losses in killed and wounded numbering 19,600, which, if correct would doubtless have gone down in history as one of China's greatest battles. Total military losses in the Sino-Japanese undeclared war at Shanghai which lasted practically a month probably did not exceed ten or twelve thousand killed and wounded. The *New York Times'* report, because of its sensational nature, was cabled back to Japan and reprinted in the newspapers in that country. This resulted in an investigation and inquiry both at Nanchang and Hankow and the result was that no one, excepting apparently the lone correspondent who sent the report, had heard of the sensational battle. The report was officially denied by General Chiang Kai-shek and by Marshal Chang Hsueh-liang and no reference to it appeared in any of the newspapers, foreign or Chinese either at Hankow or at Shanghai. It therefore seems safe to conclude that this particular battle, if it was fought at all, occurred entirely within the mind of the correspondent who sent it to *The Times*. There was one element in the story however, that attracted special attention, which was to the effect that the Chinese Government troops which participated in the alleged battle belonged to the Fourth, Ninth, Tenth, Fourteenth, Forty-third, Fifty-ninth, Eighty-third and Eighty-seventh divisions, "all of which were German-trained and were ordered into battle upon the personal advice of General Hans von Seeckt, former commander of the German Reichswehr . . . ." It was suggested that this may have been inspired by the Japanese who have been bringing pressure to force the Chinese Government to discharge its German military advisers. Recently, the Chinese military authorities instituted a strict censorship of outgoing news messages concerned with the activities of the communist armies in Fukien province which caused serious criticism on the part of the American press because of the anxiety which existed re-

garding the welfare of American residents in the Foochow area. As there is nothing better calculated to cause international misunderstanding than censorship of newspapers and news dispatches by government censors, it might also be mentioned at the same time that the sending of false dispatches about battles which never occurred or exaggerated and sensationalized reports about happenings which are unimportant, is likewise a fruitful cause of international misunderstanding.

MORE FREE TRIPS FOR JOURNALISTS, STUDENTS, EVERYBODY!

A few days ago Hollington K. Tong commented in his daily article in *The China Press* on the recent student conference held in Tokyo that was participated in by some 70 students selected from 26 different American colleges and universities. According to Mr. Tong the entire expense of bringing this considerable group of American youths to Japan, including hotel charges and a side-trip to Manchuria, was defrayed by Japan. Mr. Tong's article was headed, "American Students, Dupes of Japan," inferring that these young men and women, after being crammed full of Japanese and Manchukuo propaganda, would return home as earnest advocates of the Japanese point of view. That they will return home with their arms and trunks filled with Japanese literature goes without saying, but whether their minds will remain 100-percent on the Japanese side of the Far Eastern argument remains to be seen. We imagine that a great many of these students, as well as their parents and teachers, will wonder why Imperial Japan is spending so much money on propagandizing American boys and girls, and when they get to thinking along that line the results may not be altogether to Japan's benefit.

Now, immediately following the Japanese-financed student conference, we notice a report in the *Osaka Mainichi* that the Japan Press Association is fostering an exchange of leading American and Japanese newspapermen. According to the plan some 20 large American papers, located in a dozen leading cities of the United States, will be invited to send representatives to Japan for a two-weeks-tour, including, of course a side-trip to Manchukuo. While in Japan there will be a "round-table" discussion of Pacific and Far Eastern questions, participated in by the visiting journalists and leading Japanese journalists, government officials and industrialists. The *Mainichi's* report said that the American end of the jaunt is being handled by Roy Howard, chairman of the board of the Scripps-Howard newspapers, hence the idea may have originated in Howard's fertile brain and it wasn't an altogether unhappy idea in these days of depression for it will enable Scripps-Howard to provide some of its executives with much-needed vacations and an ocean trip with all expences paid by Imperial Japan. According to an article on the subject which appeared in the *Nichi-Nichi*, the Japanese estimate that the jaunt will cost about Yen 10,000 for each of the visiting journalists, hence if 40 accept the invitation, the total cost will be in the neigborhood of Yen 400,000 or $120,000 in U. S. currency. Now for the expected "enlightenment:" At the end of the last paragraph in the *Nichi-Nichi's* account it was stated that the Japanese newspapers and news agencies "mean to solicit contributions from Mitsui, Mitsubishi and other leading Japanese financial houses." We also imagine that the now highly prosperous and completely monopolistic government-controlled South Manchuria Railway will not be overlooked when the hat is passed around for contributions. In 1929 when the Carnegie Peace Foundation fostered a somewhat similar Oriental tour of American newspapermen, it was later brought out that the entire expense of the expedition had been secretly defrayed by the South Manchuria Railway which had not only provided the traveling and hotel costs, but had also thoughtfully supplied each of the tourists with some $2,000 for incidental expenses.

It is, of course, not without significance that the Imperial Japanese Government and the leading industrial concerns which are part of the imperial system, are now spending more money for propaganda over the world than ever before in the history of the nation. At the last session of the Diet the various cabinet officers succeeded in obtaining appropriation for their various "secret" funds which totaled considerably in excess of Yen 14,000,000, of which considerable sum the Army grabbed more than half for use in connection with Manchukuo intrigue and propaganda. The Foreign Office obtained about Yen 3,500,000 for its propaganda activities abroad. Then in addition to these considerable sums which are being used for influencing opinion in foreign countries there was recently formed in Tokyo a new organization known as the Kokusai Bunka Shenko Kai, or International Cultural Relations Association which plans to expend anywhere from Yen 3,000,000 to Yen 5,000,000 in publishing literature and subsidizing "cultural" centers or bureaus in foreign countries. There is to be a grand mass-exchange of professors, scholars, artists and propagandists abroad, with the United States as the chief objective of the "cultural" drive. The Japanese apparently have convinced themselves that if they spend sufficient propaganda money in the United States they will be able not only to obtain America's recognition of Manchukuo, but the scrapping of most of the U. S. fleet, and finally the total elimination of all artificial bars to Japanese emigration to the Pacific Coast and possibly the admission without any tariff restrictions whatever of Japanese goods of all possible categories.

War Preparations in Mongolia by the Soviets

Military preparations of the Soviet Russia in Outer Mongolia have been rushed recently, according to reports current in Mukden. A large arsenal is reported to have been completed at Kulung, and is expected to begin operations in September. Major-General Eriuedmoff and 30 technicians are said to have arrived at Kulung on July 26 to manage it. The flying forces at Kulung are also understood to have been increased by the arrival, a few weeks ago, of 21 bombing and 23 scouting plants. A hangar built recently at Kulung is said to be large enough to accommodate 200 planes. Chita, it is reported, has been made the principal base of Soviet flying squadrons in the Far East. Eight new airplane hangars were completed there recently and the total number of planes now at the new base is said to be 220.

Sun Fo's Proposals, Madame Sun Yat-sen's Declaration and Nanking's Policy

IT seems reasonable to believe that Sun Fo, head of the National Legislative Yuan, while on his recent trip to Honolulu where he met President Roosevelt, took advantage of the occasion to present the American Chief Executive with certain proposals intimately concerned with China's present predicament. What these proposals were, or whether they were presented to Roosevelt verbally or in document form, may be a matter of speculation, but we would venture a guess that they concerned the continuance and observance of th Nine-Power Treaty and possibly a further appeal to the United States for financial and economic assistance. Sun Fo belongs to an important group of Chinese leaders whom the Japanese have card-indexed as "pro-American," "pro-British," or "pro-Occidental," which is another way of indicating that they are regarded as "anti-Japanese." Other members of this group which the Japanese profess to be considerably worried about, are T. V. Soong, former Finance Minister; C. T. Wang, former Minister of Foreign Affairs; Dr. Sao-ke Alfred Sze, Minister to Washington; Dr. V. K. Wellington Koo, Minister to Paris; Dr. W. W. Yen, Ambassador to Moscow; Quo Tai-chi, Minister to London, and a considerable grunp of other political, diplomatic, business and professional leaders who received their educations in Western lands. Recently, several of these men happened to be in Tsingtao on vacation and immediately the Japanese newspapers and press correspondents began to print stories about "secret" conferences and in consequence we imagine that the Chinese seaside resort must have been rather over-run with Japanese spies and emissaries trying to find out what Soong, Koo, Wang and Yen were talking about. If one would believe all that the inspired Japanese newspapers print about this so-called "anti-Japanese" group and their influence in Chinese affairs, he would be forced to assume that if this group could be eliminated that all the rest of China's 400 millions would immediately agree to hand China over to the tender mercies of Tokyo's warlords. It never seems to occur to the Japanese that these particular Chinese leaders and several dozens of others whom we might mention, are merely "pro-Chinese," and are trying to devise ways and means for extricating their country from its present complications. That they happen to be "anti-Japanese" at this time is not due to anything peculiar in their natures, but to the fact that they are trying to prevent their country from being gobbled up by the Japanese military machine.

Another group which is even more anti-Japanese at this time is the so-called "Council of the Chinese People for Self-Defence," which was responsible for the circulation last week of a "basic program" for a war against Japan. This group, according to the manifesto, which received considerable attention in the foreign press, includes Madame Sun Yat-sen, widow of the late Kuomintang leader, Madame Liao Chung-kai, Dr. S. L. Chang, Prof. Chen Chi, Ma Siang-peh, Pei Yuan-ti, Wong Chao-se, Gen. Li Tu and some 2,000 others, many of whom formerly were affiliated with the so-called Left wing in the Kuomintang. A summary of the manifesto issued by this group which appeared in last week's issue of *The Review* (Page 372,) called upon the Chinese people to unite in a "holy-war" against Japan. After castigating the present National Government for its alleged policy of non-resistence, the leaders of this group issued a six-point program, including the confiscation of Japan's two billion yen investments in China. This proposal, combined with that of the launching of a holy war may sound fantastic, but it is a fact that the blocking of the Japanese invasion here in 1932 was due to the unity of all classes of the Chinese in the common cause. If a similar unity of the entire nation could be achieved there would be no question of China's ultimate victory over the Japanese invaders. While it is true that China is deficient in military strength, this is not the chief element of China's weakness which is, in simple terms, lack of national unity, a point well emphasized in the manifesto.

This brings us to the present National Government at Nanking and its policies on the Japanese issue. Recent reports from Nanking have indicated that an important conference bearing on this subject is shortly to be held at Kuling, to be participated in by Gen. Chiang Kai-shek and Wang Ching-wei and other officials and diplomatic representatives of the Government. The participation in this conference of Dr. Wellington Koo, Minister to Paris and Dr. W. W. Yen, Minister to Moscow, both of whom are now home on leave, gives some indication of the scope of the questions to be discussed. That these issues are important goes without saying, for China is now faced with the problem of formulating polices intimately concerned with her future status as an independent nation. This is due to the fact that Japan's attempt to exclude political questions from the forthcoming Naval Conference, plus her recent "hands-off" declaration, if translated into actual accomplishment, will have the inevitable effect of relegating China to the position of a Japanese dependency.

With China's four northeastern provinces completely occupied by the Imperial Japanese Army and an alien puppet government functioning therein; with the Japanese government-controlled South Manchuria Railway operating trains directly into Tientsin and Peiping and protecting them with armed guards; with a so-called "neutral zone" established in north China into which the armed forces of China cannot penetrate but which is almost completely over-run by Japanese instigated bandits and ronin, it doesn't require any

extended explanation to picture the unfortunate state of the nation.

In 1924 Wang Ching-wei, the present head of the National Executive Committee, wrote into the Manifesto of the First National Kuomintang Congress at Canton the following words, "The aim of the Revolution was not merely the overthrow of the Manchu Dynasty, but the establishment of a strong and efficient Government, which would liberate the Chinese people from the dominating influence of the Imperialist Powers, and restore China as an independent nation, by lifting her from the *quasi-colonial* status to which she had been reduced."

In his book, "Wang Ching-wei, a Political Biography," which was written by Tang Leang-li, in the summer of 1931 (prior to the beginning of the Manchurian affair,) the author in an extended exposition of Wang Ching-wei's policies declared that, "Expired treaties will only be renewed on the basis of real, not nominal, equality and mutual respect of sovereign rights. . . . Secret diplomacy and the policy of secret bargaining, customary at Peking and revived by the Nanking Government, will no longer be resorted to, but the Chinese people will be consulted in the matter of all important negotiations."

That much has happened contrary to these declared principles in the past three years goes without saying. The National Government has not only been harassed by foreign aggression, but also has been forced to fight for its existence against domestic enemies. Wang Ching-wei announced, shortly after his assumption of office, that his policy with respect to the Japanese menace would be based upon "resistence and diplomacy," but in recent months practically all resistence has ceased, even the boycott of Japanese goods, and worse, the Government was compelled because of Japanese pressure to reduce its tariff on practically all classes of merchandise imported from Japan.

Whether the present leaders of the National Government will go down in Chinese history as statesmen or merely as procrastinators and compromisers in order to save their own positions cannot be forecasted at this time. In 1928 when General Chiang Kai-shek had a serious clash with the Japanese troops which had intervened in Shantung to block the nationalist drive into North China, Gen. Chiang made a speech to his soldiers advising them to wait ten years until China was sufficiently strong to drive out the invaders. Recently, Gen. Chiang was quoted as declaring in the course of an address to his troops in Nanchang that when all of China's military forces had been nationalized, it would then be possible not only to oppose the invaders, but to consider the recovery of lost territories.

That the National Government has been devoting its major energies and resources toward the strengthening of its military forces is an open secret. But it also is an open secret that Japan has been working equally strenuously to consolidate her position in the North and internationally, so that China may not be able to use her available forces of resistence. It would therefore seem that the time has come for a clear-cut declaration of policy, backed by the united determination of the entire nation, otherwise it will be impossible for the Chinese people to prevent their country from becoming a dependency of Imperial Japan and the Chinese people "from becoming slaves without a country under brute Japanese rule," to borrow a phrase from Madame Sun Yat-sen's recent manifesto. Dr. Sao-ke Alfred Sze, Chinese Minister to Washington once stated in the course of an article dealing with diplomacy under the Manchus, that China had lost practically as many rights through ignorance and corruption of her officials as she had lost because of foreign aggression." This statement by Dr. Sze, one of China's most illustrious diplomats, assuredly cannot be applied to present day officialdom, for almost without exception the present leaders of the Government are men of education, trained not only in the affairs and history of their own country, but also are experienced in world affairs.

Chen Fu-sheng, a resident of Fukien province, a territory which is constantly menaced by Japanese intrigue and aggression, recently contributed an article to *The* Review (July 28) stating that the Chinese Government was only doing what America and Britain were doing with respect to the menace of Japan—holding out the olive branch while building up her power of resistence. To quote Mr. Chen's words, "It has been vaguely assumed that Nanking is merely compromising and procrastinating, but it doubtless may come as a surprise to many to learn that Nanking is also building up her national defence . . . there is not only the possibility, but also the probability that in the near future a powerful, trained airforce of some 1,500 planes will be built up . . . also, in a few months several thousand army commanders and officers will be efficiently trained . . . but with the hope of the world's intervention in the Sino-Japanese issue dwindling or perhaps lost our Nanking authorities are not to blame for their recent attitude toward Japan . . . the whole nation encounters a nation-wide and unprecedented crisis and the nation as a whole must unite and save itself . . . no nation can enslave China if she stands firm . . . no nation can take over China if she stands united against the Japanese enemy."

That the present controllers of the National Government are just as patriotic as those on the outside who are criticising their actions is obvious. Whether the policies they have adopted in meeting the Japanese menace are the best that might have been devised, only history will be able to render a decision. Realizing their inability to defeat Japan in open warfare, they have done everything possible to avoid an open break which would result in the definite cession of territory and in the meantime they have attempted to conciliate the Tokyo warlords by offering concessions. Along with the developmetn of this policy there has been a sincere hope that something would develop internationally that would have the effect of withdrawing Japanese pressure. From the standpoint of domestic politics strenuous efforts have been made to consolidate the National Government and build up its mililtary and economic re-

sources. Whether this policy is the correct one, or whether it would have been better to continue armed resistence, only the future can say. But from the standpoint of the immediate future it would seem that China must shortly make a definite decision whether she will attempt again to bring the Japanese issue to the attention of the Powers at the forthcoming Disarmament Conference, or whether she will capitulate to Japanese pressure and become part and parcel of the Imperial Japanese Empire as a "protected" state, dependency, semi-colony, or whatnot. In the event the National Government does decide to again force the Japanese issue into international channels this will involve active plans for military defence at home, for the Japanese in all probability will again use military measures. There doesn't seem to be much further room for compromise because the warlords of Japan are insatiable. They not only want Manchuria as a territorial possession, but also want to convert all China into a dependency. There can be no further argument on this point for Japanese policies are now fully realized both in the Far East and abroad. It would therefore seem correct to state that the time has come for a definite decision—which apparently is the main issue scheduled for discussion at the forthcoming Kuling Conference.

What Will Happen If Japan Denounces the Arms Limitation Treaty?

WE know of no place in the world where the people should be more interested in the present discussions pertaining to the arms limitation question than those who reside within the confines of this so-called International Settlement of Shanghai. As a matter of fact all of the international racial and nationalistic rivalries indicated in the daily press reports over the arms limitation issue are present here. The recent incident in the Hongkew section of the Settlement in which a mob of Japanese sailors, ronin and other ruffians disarmed, beat and insulted several British police officials indicates the prevailing feeling. But if the Japanese proceed with their announced determination to denounce the arms limitation treaty, which will carry with it the denunciation of the Nine-Power Treaty and other agreements of the Washington Conference, the Shanghai International Settlement might easily become the initial battle field of contending factions which would convert this little area into a miniture Armageddon. It almost became that in the undeclared war which Japan launched on the Chinese 19th Route Army here early in 1932. At that time the Japanese understimated the Chinese power of resistence, but they are taking no chances now. Anyone who may doubt this statement should take a trip out North Szechuen Road and inspect the extensive barracks and fortifications which the Japanese Navy constructed and is still developing in that area. Almost every week a fresh supply of munitions and military equipment is landed here and stored within this closely guarded Japanese fort. Should some Japanese sailor become careless and drop a bomb, or should the lightning ever strike that arsenal, there probably are sufficient explosives stored there to wipe out most of the Hongkew area, which comprises about half the territory of the entire Settlement.

The Japanese have two definite objectives here, one being to supplant the British as the controlling element in the city, and the other being to prevent the Chinese from ever obtaining a controlling voice in Settlement affairs. The Japanese first tried to create their own concession in the area now occupied by the new Chinese Civic Center, located between the International Settlement and Woosung, but when that failed they aparently decided to extend their power in the Hongkew section at the expense of the other powers which control the Settlement. The recent Hongkew incident may therefore be regarded as an unmistakable Japanese gesture of future intentions. Also, the weak-kneed and entirly disgraceful retreat of the local Municipal authorities in the face of the Japanese threat has probably done the British more harm in lost prestige than anything which has happened here in recent years. The British never have hesitated to oppose, by armed strength if necessary, any Chinese move to take forcible possssion of the Settlement. The conciliatory policy inaugurated by the home British Government following the Sino-British complications in 1925, never received the approval of a small group of reactionaries or "die-hards" who have opposed every move to give the Chinese a controlling or at least equal voice in Settlement affairs. Now as a result of this policy, the Settlement is faced with its most serious crisis, not from Chinese pressure, but from a much more dangerous quarter—militarist Japan! Anyone who may question this can obtain enlightenment by making a trip through Manchuria where the Occidental is rapidly being eliminated entirely. For example one of the large foreign banks which previously had three prosperous branches in Manchuria employing fourteen executives, has been forced to so curtail its activities since the Japanese occupation that only three executives are now required to operate the business.

However, the situation in Shanghai, although typical of the general situation in the Far East, is actually but a small part of the crisis which is likely to develop in the event the Japanese are permitted to carry out their announced threat of denouncing the Washington Treaties. The Japanese purposely have never made any official announcement of their real purpose with respect to the forthcoming arms conference. Much has appeared in the Japanese newspapers regarding their demand for complete equality in naval

strength with America and Britain, but when the Japanese naval leaders talk of "equality" they do not mean the right to construct their fleet up to the present strength of the U. S. and British fleets, but rather they want the Americans and British to reduce their fleets to the present strength of Japan. But now that the Japanese find that neither America nor Britain are misled by these gestures, they are beginning to talk even more ambiguously about naval 'autonomy." Also, the Japanse want a "free hand" in Far Eastern affairs, which is another way of stating that they wish to eliminate all treaty restrictions on their military activities on the Asiatic continent. In short they want the right to do as they wish in China, even to the end of subjugating the entire country and converting it into a Japanese dependency.

Should the Japanese be permitted to carry out this threat, it would mean an immediate increase and intensification of Japanese pressure on China, directed first toward the elimination of all Occidental interests and influences on the China coast and the transferrence of these interests to Japanese control. China would be forced into an economic and military alliance with Japan which would mean that the entire resources of this country would be diverted into Japanese channels with the ultimate objective of strengthening Imperial Japan for the inevitable conflict with the West for world supremacy. Japan is basing her demand for naval "equality" or "autonomy" on the contention that her responsibilities have greatly increased because of developments in the Far East since 1931. What are these responsibilities? The occupation of China's four northeastern provinces and the planned domination of all of China, both of which are based on a glaring violation of existing treaties. Therefore to put her case in simple language: Japan took advantage of world conditions in 1931 to expand her territories by occupying the land of a neighboring state in violation of existing treaties. Now she would legalize her position by expanding her armed force to a point where none could interfere with her. As one of the speakers,, S. K. Ratcliffe, put it at the annual meeting of the American Academy of Political and Social Science (Philadelphia, April 7 to 8,) the Japanese Government acted in 1931 with the purpose of getting ahead of three great movements: First, there was the unification of China which is certain to come though it may be long delayed. Second, there is the development under socialistic influences of Eastern Siberia by the Soviet Union. Third, there is what the Japanese have regarded as a great danger to themselves, the continual expansion of American trade and economic influence in Eastern Asia.

The public has little comprehension of the technical discussions now appearing in the newspapers regarding "fleet ratios," "parity," "autonomy," "global tonnage" and such matters. But practically everybody of intelligence does realize the significance of what Japan is driving at. Prince Fumimaro Konoye, President of the Japanese House of Peers, who just returned to Japan from a two-months tour of the United States, said that the impression prevailed in the United States that Japan appeared to be following in the steps of Germany and sooner or later would find herself in the position of Germany at the outbreak of the World War. He said that many responsible Americans believed that if the present naval ratio of Amercia 5: Britain 5: Japan 3, is abolished and Japan is given the same naval strength of the other two Powers, that Japan shortly would be so powerful in the Western Pacific that the Nine-Power and other agreements of the Washington Conference would have to be altered. K. K. Kawakami, well known Japanese publicist and correspondent in the United States, stated in a dispatch from Washington which appeared in the *Osaka Mainichi* on July 21 that "What puzzles the American government and people more than anything else is the uncertainty of the Japanese policy regarding not merely the naval but other vital questions. Does Japan really desire peace with Soviet Russia? Does she still feel the urge of territorial expansion? Does she intend to advance into China beyond the Great Wall? Is she satisfied with what she has achieved in Manchuria? . . . No Japanese can answer these questions, because Japan herself hardly seems to know where she is going. Unless Japanese policy on such questions are definitely formulated, many in America feel that Japan might as well recall her ambassadors for they can do little with foreign governments which, in the present uncertain circumstances, cannot be expected to trust her diplomats."

To get back to the main issue, the threatened Japanese denunciation of the Washington Treaties, this action, if put into effect following the scheduled preliminary conference in London in October, willl immediately precipitate an arms race in the Pacific. That President Roosevelt selected the Pacific and Honolulu for his recent vacation cruise was not accidental and likewise it is not accidental that there is now an active interest developing in the United States regarding its defensive position in the Pacific area. All indications point toward the fortification of the Aleutian Islands and the establishment of strong naval and aviation bases both there and on the Alaskan coast. The recent airplane flights conducted by the Army and Navy to Alaska, plus the naval surveys now being made in that area indicate quite conclusively that the U. S. military strategists consider the fortification of the Aleutians and the Alaskan coast as the best offset to Japan's demands for increased naval tonnage. There have been many peaceful conferences and "institutes" conducted about the Pacific in recent years with the object of finding a peaceful solution of the Japanese problem, but now the nations chiefly concerned in this area are face to face with the fundamental problem of Japanese militarist expansion which has become a world menace. When a businessman observes a competitor developing a business which may become a dangerous rival, he takes steps to meet the menace. In the field of human relations this competition usually is conducted in accordance with established rules

and laws. But in the competition of nations, all rules seem to have broken down. The nation which first broke the rules was Imperial Japan, hence if no way can be found to get back on an internationally legal basis, then the situation reyerts to the primary element of force. If Japan cannot be induced, or compelled, to rectify her position on the Manchurian issue and again become a law-abiding member of the international community, then there is nothing else for other nations which are directly affected by the competition, but to take steps to defend themselves against the menace. This is the essence of the issue involved in the question whether Japan does, or does not, denounce the Naval Limitation Treaty.

The Bellamy Case Is Aired Further

Both the *China Press* (August 5) and the *North China Daily News* (August 6) published editorials on the subject of the Council's action in punishing Sergeant Bellamy in connection with the Japanese riots in Hongkew in June. The *China Press* quoted at length from the *Review's* editorial last week, and commented: "The conclusion of the *Review* that the local municipal administration is in a precarious state can readily be accepted when a dispassionate view is taken of all the facts. Alarm is felt not only by the foreign community but also by the Chinese who are much disturbed by what appears to them as a supine yielding to the menace of Japan."

The China Press also commented that the *Review's* analysis of the situation, "conforms with certain private instructions that we have received from various individuals. One gentleman, a Britisher with 30 years residence in the Orient and a close student of Oriental conditions, picked Macnaghten as responsible for the mess that was created over the Hongkew affair. He specifically charged that Macnaghten was afraid to offend the Japanese because of injury that would result, if he did so, to his material interest."

The following are extracts from the *N.C.D. News* editorial:—"The Municipal Council's wholly inexplicable attitude regarding publicity in connection with the recent incidents in Hongkew is giving rise to all manner of absurd rumors, and deductions obviously drawn from an incomplete acquaintance with the facts. . . . Those publications which for purposes of their own have decided that the Council is entirely in the wrong with regard to the manner in which they dealt with the two incidents, have been able, in the absence of in authoritative statement as to what was done with regard to Sergt. Bellamy, to assume that said officer has been unjustly treated by his superiors for the purpose of effecting an adjustment with the Japanese authorities in the nature of an unsavory bargain to the effect that if Bellamy were punished the Japanese authorities would take action against their own nationals.

Itaro Ishii, Japanese Consul-General at Shanghai, issued a denial through the official *Rengo* service on Aug. 9 that he had made a private deal with Brig.-Gen. E. B. Macnaghten for a settlement of the Hongkew incident. Mr. Ishii's statement said that the "assumption of an unsavory bargain was entirely groundless."

Red Menace to Foochow Repulsed by Government Forces; Further Details of the Dairen Conference

High Lights in the Events of the Week:

1. Red Force Occupies Shuikow 40 Miles West of Foochow.
2. Japanese Reports on the Proceedings of Dairen Conference.
3. Panchen Lama Denies Tibet and Mongolia After Freedom.
4. Portugese Occupy Three Chinese Isles Without Firing One Shot.
5. November 12 Fixed as Date for 5th National Kuomintang Congress.

A force of between one and two thousand Communists and bandits reached the Min River and occupied the town of Shuikow, half way between Yenping and Foochow, at 5 o'clock afternoon August 1. The capture of Shuikow is attributed to the sudden concentration of the main body of the Communist troops, who had been driven into Fukien from Kiangsi by the Government forces in the latter province. The situation at Foochow, which at one time threatened to become serious as a result of the "Red" invasion, is now becoming easier, following the dispatch of a large detachment of Government troops to Yenping together with a squadron of airbombers. According to military intelligence reports from the front, the Communists now in occupation of Shuikow are composed of units of the 7th and 9th "Red" Divisions under the command of Lo Ping-hui, whose number has now been decimated into a little over two thousand men after the severe encounters with the Government troops in Kiangsi and during the past few days at Shuikow.

Under the pressure of fierce onslaughts made by the Government troops, the Communists at Shuikow were forced to evacuate that city on August 5th with the Government units operating from Kutien in hot pursuit. The Min River having been cleared of Communist vessels, water traffic on the River between Foochow and Shuikow has been restored. The Red Commander, Lo Ping-hui, has withdrawn his men from Shuikow to Yuchi, where he has established a provisional Headquarters.

In order to fundamentally extirpate the Red scourage in Fukien, General Chiang Ting-wn, Commander-in-Chief of the Bandit-suppression Forces in Fukien, summoned a conference of the leading Commanders August 4 at Foochow, at which, it is understood, concrete measures had been decided upon for the suppression of the Red bandits.

The Chinese Government is minimizing the danger of the Communist advance on to Foochow to the presence of Government troops, and British, Japanese, and American warships. The warships were despatched to the scene upon recommendation of the consuls in Foochow. General Chen Yi, Chairman of the Fukien Provincial Government, has assured the consuls that his forces will be able to stem the tide of the Red advance near Suikow.

A Japanese gunboat, Kuma, arrived in Foochow August 3 after steaming full speed ahead from Mako, Formosa. The Kuma will remain in Foochow to evacuate the Japanese and Formosan residents in that region if necessary. A landing party may be sent ashore if the Communists come much closer to Foochow. The Kuma is a second class cruiser displacing 5,300 tons and capable of developing a speed of more than 33 knots. The Japanese Ministry of Navy has ordered four more Japanese destroyers now at Mako to stand by for a quick voyage to Foochow in case the situation becomes critical.

Rengo reports that Rear Admiral Yoshiyuki Niyama, commandant of the Japanese Naval Base at Mako in the Pescadores, arrived August 4 to take over the command of the Japanese naval forces in Foochow in case an emergency should arise.

The United States Gunboat Sacramento steamed out of Shanghai August 3 for Pagoda anchorage in Foochow seat of the reported Communist disturbances near the capital of Fukien province. The Sacramento carried a compliment of 10 officers and approximately 150 men, as well as a detachment of 30 United States Marines under command of Lieutenant R. W. Hayward.

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Remarkable progress has been made by the Government troops in the drive against the "Reds" at Changting, "Red" stronghold in western Fukien. The Government troops, after sanguinary fighting, occupied the defence lines of the "Reds" in the neighborhood of Hsuenholing near the Kiangsi-Fukien border. More than 1,000 outlaws were recently slain in battle.

In accordance with the instruction of General Chiang Kai-shek, General Chen Chi-tang has despatched the 1st Independent Kwangtung Division to assist in the attack on the "Reds" at Changting, "Red" stronghold in western Fukien. A protest has been despatched by Colonel Li Ching-te, Commissioner of Public Safety for Foochow, to the Japanese Consul-General at Foochow regarding the murder of Cheng Chi-chi, a Chinese citizen, by four Formosans. The Chinese note demanded the apprehension of the murderers, compensation for the

family of the victim, disarming of Formosan residents and assurances from the Japanese authorities against the recurrence of similar incidents. Besides expressing regret, the Japanese Consul-General has promised to take steps for the apprehension of the culprits.

Kiangsi Reds Remove "Capital"

According to a report received at Amoy, the "Soviet Government" in Kiangsi has now been removed to a place about fifteen *li* west of Juikin to avoid detection by the Government aeroplanes. There are indications that the Reds in Kiangsi are making preparations to move westward in the direction of Hunan. Peng Teh-huai, second in command of the Red Force, is at Changting and he still has 10,000 men under his command.

A united front against communists has been formed by Kwangsi, Yunnan and Kweichow in plans now completed for the organization of a "Three Provinces Communist-Suppression Headquarters." The projected "Three Provinces Communist-Suppression Headquarters" will be headed by General Li Tsung-jen, Kwangsi commander, while Generals Pai Chung-hsi, Lung Yun and Wang Chia-lieh, representing Kwangsi, Yunnan and Kweichow, will act as the three communist-suppression Tupans. The plan for the organization of this united office has been forwarded to General Chiang Kai-shek for approval, with a petition for subsidy from the Central Government to cover the expenses for the united drive against the communists.

The Paokungmiao mountains which range through three districts of Kaoan, Hsinfeng and Ifeng in western Kiangsi (which had been devastated by the Red bandits for many years) were reported to have been recovered last week. Since June 25, a drive on a large scale was ordered and a launch immediately effected. Several severe battles were engaged in in the wooded mountains. They lasted three weeks. With several columns of forces marching toward the bandits in all directions—which successfully blockaded them —the Government troops scored repeated victories which finally led to a decisive battle fought on July 13 that gave a deathblow to the Red forces there. Their leader Yu Hsin-chow was caught at Hsiushui, while the other one, Hsu Kang, escaped in disguse.

Three important Red bandit officers are now held by the Government troops in western Kiangsi. They are Kung Ho-chung, the notorious Red leader in western Kiangsi; Yu Hsin chow, Red divisional commander; and Hsiao Hsiang-shao, recently captured at Kanchow. Surrender of Kung was officially confirmed by the military headquarters in Nanchang on August 4.

Shihcheng, "Red" stronghold 45 miles south of Kwangchang in south-eastern Kiangsi, has been occupied by the 11th Division under Lieut.-General Chou Chih-chun, who swooped down from the Fukien-Kiangsi border.

General Chiang Kai-shek returned to Kuling August 1 from Nanchang. General Chiang has invited a number of Central Government leaders—including President Wang Ching-wei, Tai Chi-tao, Ministers Huang Shao-hsung, H. H. Kung, Wang Shih-chieh, W. W. Yen, Wellington Koo and General Ma Chan-shan—to Kuling to give a series of lectures at the Military Officers' Summer Training Class.

General Liu Chen-hua, Chairman of Anhwei, announced that he had tendered his resignation to General Chiang Kai-shek from his concurrent post as Commander-in-Chief of the Bandit-suppression Forces for the Honan-Hupeh-Anhwei border so as to devote his full attention to provincial affairs in Anhwei. The resignation has been accepted by General Chiang.

Well-informed circles at Chengtu generally discredit the official reports about victories of the Szechuen provincial troops over the Communists at Wanyuan. In spite of all previous reports that the provincial forces have captured many strategic points around Wanyuan and that they have actually arrived at the outskirts of Wanyuan, the Communists still have the situation well in hand and the provincial forces have failed to make much headway, although several thousand lives are reported to have been sacrificed in recent encounters.

Japanese Version of the Dairen Conference

The *Osaka Mainichi* claims to have learned from reliable sources that in the Dairen conference Yin Tung, the Chinese delegate, proposed that the Tangku agreement might be replaced by a new agreement, but hesitated to commit himself to answer the Japanese query whether China is ready for fresh negotiations. Mr. Yin wished to know if Japan is willing to consider a new agreement to take the place of the Tangku agreement. Major-General Yasuji Okamura, vice-chief of staff of the Kuantung garrison, is understood to have replied that such a step may be considered if China is prepared to settle all questions pending between the two countries from a statesmanly point of view. Mr. Ying replied that he was speaking in a private capacity and that he was not ready to give responsible answer to the question. It was agreed, however, that in the matter of enforcing law and order in the demilitarized zone the Chinese and the Japanese will cooperate and strive to drive out disorderly elements, Chinese and Japanese alike.

According to a Dairen telegram published in the *Japan Advertiser* on July 25, as a result of the Conference, Yin Tung and Major-General Okamura had come to an agreement on (1) appropriate measures to be taken with regard to the maintenance of order in the North China demilitarized zone (2) problems pertaining to the Tangku truce agreement, and (3) the holding henceforth of meetings between the Japanese and Chinese authorities with a view to obtaining mutual understanding. On the other hand, recognition of Manchukuo by China and settlement of the question of indemnification for damages sustained in the Shanghai and other incidents were conditions imposed by the Kwantung Army for cancellation of the Tangku truce at the conference. During the conference Mr. Ying conveyed to the Japanese the views of Huang Fu, Chairman of the Peiping Political Council, and stated the wishes of the North China Administration regarding the solution of pending issues. The Kwantung Army remained firm in its attitude that unless China shows itself sufficiently sincere in fulfillment of the obligations of the truce its cancellation is impossible.

The *Japan Chronicle* reported on July 27 that an association had been formed by Japanese, Chinese and Manchus for the cultivation of raw cotton in North China. It is hoped that the present undertaking will help harmonise economic relations between the three countries. The Chinese side, according to *Osaka Jiji*, is represented by Huang Fu, Yin Tung and other leading man, while on the Japanese and Manchu sides are leaders of the East Asiatic Industrial Association (Toa Sangyo Kyokai). The main tasks of the new Association is to distribute seeds, guide farming and attend to the disposal of the cotton grown. A subsidy will be granted to farmers engaged in cotton plantation under the Association's management. It is understood that the cotton grown will all be shipped to Japan.

President Wang Ching-wei, in a press interview at Nanking July 31, said that as the result of negotiations held recently by Yin Tung with representatives of the Japanese military authorities at Dairen, measures have been devised for the settlement of the situation in the North-China War Zone. The question of economic cooperation between the two countries was not discussed, President Wang said. He expressed confidence that the measures for restoration of peace and order in the North China War Zone, when carried out as agreed upon, will help in alleviating the plight of the people in the area.

Interviewed on August 3, General Yu Hsueh-chung, Chairman of Hopei, declared that the Chinese have completely carried out their obligations under the Tangku Armistice Agreement while the Japanese have carried out none. On the contrary the Japanese are blaming the Chinese authorities for their inability to maintain order in the Luantung District, forgetting that it was the Japanese ronins who created all the disturbances. General Yu said that according to the Tangku Pact the Japanese troops at Malangyu and Sahochiao should be withdrawn within one year after the signing of the Tangku Agreement, but now the one-year period has already expired and the Japanese soldiers there are showing no sign of immediate withdrawal.

Ying Tung arrived at Nanking from Hangchow August 6. He called on President Wang Ching-wei at 10 o'clock

the next morning and conferred with him on the North China Situation. After tendering President Wang an autographed letter from General Huang Fu, he reported on the proceedings and results of the Dairen conference. It is understood that Mr. Ying also offered for the consideration of President Wang his personal views regarding the various Sino-Japanese issues in the Luantung Area. Mr. Ying will remain in Nanking for only two or three days, following which he will return to Peiping to resume his office.

Conflicting reports are in circulation in Nanking regarding the attitude of General Huang Fu towards the resumption of his office as Chairman of the Peiping Political Affairs Readjustment Commission. According to one report, General Huang is said to have consented to withdraw his resignation and will shortly leave Mokanshan for Kuling for a conference with General Chiang Kai-shek before returning to Peiping. On the other hand, it is reported that General Huang is still in a pessimistic mood regarding the future of North China and hesitating in reaching a decision to resume his post.

According to information from Japanese sources, the Japanese military authorities in North China are very anxious for the return of General Huang Fu to Peiping. The information states that after General Huang's return there, the Kuantung Army Headquarters will propose to him for the holding of an important conference to discuss and liquidate all the outstanding issues not only in the Luantung Area but in North China as a whole. It is said that at the Dairen conference, the Japanese delegates had informed Ying Tung of this intention of the Kuantung Authorities and requested him to convey the same to General Huang. It is further stated that the Kuantung Authorities are yielding to the Chinese in certain political matters in the hope that the Chinese authorities may agree to their proposal of economic cooperation in North China. Observers at Peiping point out that the softening of the attitude of the Japanese indicates that they are diverting their attention to Russia, with whom their relations are daily becoming more and more strained as a result of the recent border incidents between Russia and "Manchukuo."

The Nanking Government is following a new policy in its dealings with Japan, declared Li Shih-yi, adviser on foreign affairs to the Fukien government, up on his arrival in Nagasaki from Shanghai aboard the N.Y.K. express steamer Nagasaki Maru, August 5. Mr. Li was loquacious regarding the election of General Chiang Kai-shek as President of China which the termed as "probable." He left Nagasaki for Tokyo at 2.10 o'clock afternoon August 5.

The *China Press* reports that Chinese political circles are attaching much importance to the trip of Mr. Li to Japan. It is believed he will confer with Japanese Government and civilian leaders on Sino-Japanese relations. Interviewed upon his departure from Shanghai, Mr. Li denied that he had any particular mission in mind saying that he was merely going to Japan to visit his son. Asked if he was going to see any Japanese leaders, Mr. Li answered in the negative, adding, however, that as he has many Japanese friends they might come to see him when they learn of his presence in their country and quite possibly they will discuss various questions concerning Japan and China.

The Japanese paper *Hochi* observes that there have been signs of some improvement of the attitude of the Nationalist Government towards Japan. Since the Lushan Conference General Chiang Kai-shek, Wang Ching-wei and other leaders of the Nanking Government have been giving practical proof of a better under-standing of the actualities of the Far Eastern situation. The recent conclusion of the through traffic agreement, the establishment of Customs stations along the Great Walls and the signing of the Sino-Japanese wireless Treaty point to this conclusion. Unfortunately, there are still elements in China who are so impervious to reason that they are bent on restraining the authorities of the Nationalist Government in an attempt to frustrate their policy of friendship. Among those are T. V. Soong, W. W. Yen and Dr. Wellington Koo, who are notorious for their anti-Japonism and are holding secret meetings at Tsingtao. The object of their meetings is not far to seek. As one method of restraining Japan, they are said to be contemplating the conclusion of a treaty of security among the Pacific Powers, but it is gravely to be doubted whether they are qualified to advocate a peace agreement of this kind. In addition to this group is Sun Fo, President of the Legislative Yuan, who had gone to Honolulu and attempted to seek an interview with President Roosevelt.

"A world war by 1936, and with its advent the rising of united China against Japan." Such was the gist of the interview given by General Li Tu, former commander-in-chief of the anti-Japanese volunteer corps in the north-east during the Manchurian trouble, on August 6. General Li Tu is one of the "Preparatory Committee of the Council of the Chinese People for Armed Self Defence," a gist of the manifesto of which, urging Chinese people to rise against the present policy of the Government and oppose Japan and Japanese interests in China, was published in the last issue of the *Review*.

General Li explained that the ultimate aims of the movement were to throw off the Japanese yoke in China, but at the present time, the movment is in its infancy. He said that a number of influential people throughout China were interested in the movement, including members of the Central Committe of the Kuomintang, industrialists, bankers, military officers, lawyers, professors, authors and other persons well known in China circles. The original proposers of the organization were members of the Central Committee of the Kuomintang.

Branches of the roganization have now been established in the principal cities of China. At the same time influential persons at the Central Government will do their best to sway those in authority in favour of the movement. In this manner the organization hopes to gain the Central Government's confidence peacefully and not forcibly.

General Li Tu mentioned some of the organizers of the council including Ma Siang-pei, nonogenarian civic leader; Mrs. Liao Chung-kai, widow of the famous revolutionary leader and Minister of Finance in the Canton Government, who was assassinated there; Madame Sun Yat-sen, widow of the founder of the Chinese revolution; Dr. S. L. Chang; Pei Yuan-ti, a former member of the Central Executive Committee of the Kuomintang; and Prof. Chen Chi, educationalist and former statesman.

Chou Tso-jen, brother the famous Chinese writter, Lu Hsun, and Hsu Tsu-cheng, well-known Chinese authors, were honored at a banquet given by leading Japanese Sinologues and writers in Tokyo August 4, according to a *Rengo* report from Tokyo on said day.

Large-scale maneuvers of Japanese troops in Jehol are now being staged in various parts of that province and along the Great Wall. The troops participating in these maneuvers total nearly 6,000 and are divided into three routes. The first route numbering more than 3,000 men is being massed at Chaoyang practicing on tank warfare, while the second route composed of 1,000 men is concentrated at Chengteh, provincial capital of Jehol, to engage in street fighting and guerrilla warfare. The third route totalling about 2,000 men is being scattered along various Great Wall Passes carrying with them heavy machine guns and field-pieces devoting to the practice of mountain warfare with Nantienmen as the imaginary objective of attack. The Japanese troops stationed on the border of Charhar, according to the information, have made a further advance into Kuyuan, thereby causing fresh anxiety as to the intention of their movement.

Although reports are prevalent to the effect that Malangyu will soon be returned to Chinese control, the Japanese troops in that region are showing no signs of withdrawal. On the contrary more Japanese planes have arrived there, which are making daily flights over Malangyu and its neighbouring districts. The people are feeling extremely uneasy and reports of its imminent return to Chinese control are generally discredited.

In order to substitute Tientsin and Tangku as a trade center in North China, the Japanese are making heavy investments in developing Hulutao into a modern port. The Japanese Chamber of Commerce at Dairen alone has in-

vested a sum of $100,000 for the building of warehouses and godowns at Hulutao and opening new navigation lines between it and the various inland cities in Manchuria and North China.

It is learned that a large number of Japanese warships and aeroplanes are expected to arrive at Chefoo early in August on a visit. The number of Japanese planes paying the forthcoming visit is placed at 90. The warships and planes are reported to be taking part in new Japanese naval manoeuvres in August.

A sum of $1,000 will be paid to the family of each of the five passengers who were killed in the bombing outrage on the first Peiping-Mukden through express which occurred at Chiatien on the afternoon of July 1st.

Ku Meng-yu, Minister of Railways, who is vacationing in the Western Hills. near Peiping, summoned on August 1 Chen Yen-chiung and Shen Chang, respectively Managin-Directors of the Peiping-Hankow and Peiping-Suiyuan Railways, and Cheng Pao-chao, Assistant Managing-Director of the Peiping-Liaoning Railway, for a conference. Measures for the improvement of railway traffic in North China were discussed.

General Han Fu-chu, Chairman of Shantung, arrived at Tsingtao by the Kiaochow-Tsinan Railway August 5. General Han said that his trip there is to welcome T. V. Soong to Tsinan for an inspection of the engineering work on the Siaoching Ho (River).

Panchen Lama Denies Tibet and Mongolia After Freedom

Interviewed by *Reuter* at Peiping July 31, the Panchen Lama, the spiritual dignitary of Tibet, said that there was no separatist movement or sentiment in Tibet and Inner Mongolia. The autonomy movement in Inner Mongolia last year should not be interpreted as the expression of a desire on the part of Mongolians to break away from China. It was simply a movement for local self-government. In other words, the Mongolians wanted to secure for themselves those rights to which they were entitled as members of one of the five integral races which made up the Chinese Republic.

Turning to relations between Tibet and Britain, he said that owing to the contiguity of British India and Tibet he had had many opportunities of meeting British leaders and officials, and that his relations with them had always been of the friendliest. When he left Tibet there were already British instructors in the Tibetan army, which then numbered between 5,000 and 6,000 men. He did not regard this or the fact that the Tibetan troops were equipped with British arms as very significant, because, in view of the proximity of Tibet to British India, it was the best and most convenient way for Tibet to engage British instructors and buy British arms. He also expressed his appreciation of the facilities extended by the British Government in India to the Anchin Mission while travelling in India on their way to China.

The Tibetan leader said he had received many telegrams from Tibet urging him to return to Lhassa as soon as possible. He expected to return to Tibet this year but no definite plans had yet been made in this connection. He would first go to Inner Mongolia to preach among his followers, later proceeding to Chinghai. He had not yet decided whether to proceed direct from Chinghai to Tibet or not. He might make another visit to Nanking before returning to Lhassa.

A Peiping telegram states that due to arrangements remaining to be perfected, the Panchen Lama is not likely to return to Tibet before the end of the year. The telegram states that the Panchen Lama is planning to return to Nanking after his visit to Inner Mongolia. While the date of his return has not yet been fixed, it is understood that he will be at Nanking again sometime in October in order to attend the 5th National Congress of the Kuomintang Delegates which is scheduled to be held middle of November. He will probably be accompanied by the Changchia Living Buddha of Chinghai (Kokonor) and several Mongolian princes.

For the purpose of developing Sikong, the Government has decided to establish a Sikong Political Council to handle situation prevails in Kashgar, according to a *Reuter* report from Simla Aug. 1. The victorious Chinese troops have not the administrative affairs in that region. The Council will function in Sikong until the district has been formally reorganized into a regular province.

Owing to the absence of all authority to maintain order since the defeat of the Tungen troops under Gen. Ma Chung-ying, the rebel Mohammedan leader, a precarious yet entered the city and the absence of authority to enforce law and order in the city has led to much anxiety. It is alleged that Soviet Russia is supplying the Chinese troops with arms and ammunition and probably with money, and consequently, Japanese official circles regard the success of the Chinese with much misgiving.

A Tihua message reports that following the capture of Kashgar, south-western Sinkiang, by the Sinkiang Provincial Forces under General Sheng Shih-tsai, Defence Commissioner for the Sinkiang border, the remnant insurgents under Ma Chung-ying fled southwards to Hotien (Khotan) where they were completely disarmed by the Provincial units. The military campaign in southern Sinkiang has thus been concluded and the whole province is again under the complete control of the Provincial Government after almost one and a half years' turmoil. General Sheng has appointed Ma Shao-wu as Administrative Commissioner of the Kashgar Area and General Liu Pin as Garrison Commander there.

General Ma Chung-ying is reported to be negotiating with different quarters hoping to return to Sinkiang. General Ma has pledged support to General Sheng Shih-tsai if he is given another chance.

General Huang Mu-sung, Special Commissioner to Tibet, reports that he arrived at Chiali, near the Hsikang-Tibetan border, July 27. He expects to reach his destination—Lhassa, capital of Tibet—in the latter part of August.

Portugese Occupy 3 Chinese Islands Without Firing One Shot

Without firing a single shot, the Portuguese authorities in Macao have occupied three islands known as Wang Kam, Sha Lan, and Kow Chau, which are within the jurisdiction of Chungshan model county, according to a *China Press* dispatch from Canton July 31. The Portuguese have established police stations on these islands, built highways and installed street lights. Apparently there is no civic organization on those islands, so the penetrators name streets and mark numbers on the houses as if those islands were colonies of Portugal. Thirty Chinese patrolmen of the Macao police force are stationing on the island. In addition, the river police are cruising adjacent waters on the watch for pirates, while secret service work is in the hands of ten plain clothes men. Villagers of the islands, who were hitherto left to themselves, are therefore friendly to the Portuguese and raise no objection to their peaceful penetration.

Commencing from August 1, the Canton Government will collect a 10 per cent aerial defense surtax on cigarets. The authorities appear determined to proceed with the scheme in spite of the opposition of local cigaret companies and dealers. The decision of the Government has caused grave concern to the cigaret merchants who maintain that the new imposition is too drastic and are appealing to the authorities for the cancellation of the proposed levy. On the other hand, the authorities feel that the decision is justified as the funds raised from the new surtar will be used entirely for improving the city's defense against aerial attacks, which is essential to continued peace and security. One hundred and eighty cigaret wholesale shops have decided to take concerted action to fight the new imposition and threaten to declare a strike if the proposal is not cancelled.

More than 2,000 "illegal, seditious books" were burnt on August 1 by the Bureau for the Censorship of Publications appointed by the South-west Executive Committee, accordiug to an announcement August 4.

General Chen Chi-tang is reported to have decided to call a military conference of the five South-western provinces for the purpose of discussing measures for strengthening the national defence in the south. Yang Teh-chao, General Chen's representative in Nanking, has returned to Canton with an autographed letter from Gen. Chiang Kai-shek, in which the Generalissimo urges General Chen to devote his attention to the suppression of communists in South China and to do whatever he could to uphold the unification of China. General Chiang has also agreed to increase Kwangtung's military allowances.

Concerning the reported preparation for the election of a civil governor by the Kwangtung Provincial Assembly after it has been formally inaugurated, Hsiao Fu-chen, a member of C.E.C., declared on July 23 that according to the Dr. Sun Yat-sen's teachings and the Fundamentals of National Reconstruction, election of civil governor of any province will take place after the completion of the work of autonomy. Mr. Hsiao clearly indicated that there is a possibility of proceeding with the election after the Provincial Assembly comes into being and said that it is not necessary to wait for the Central Government's approval. Referring to the draft constitution which has been revised by the Legislative Yuan, Mr. Hsiao said that the constitution is ridiculous as Article 4 of the 1st Chapter states that the territory of the Republic includes all other provinces and the Four Northeastern Provinces which are now occupied by the Japanese, but the Central Government has made no attempt to recover them. Further, Mr. Hsiao said that as the constitution is of vital importance to the nation, it could not be accepted as final after the discussion of only a small group of persons.

Sun Fo, President of the Legislative Yuan, who is now vacationing at Honolulu, in a telegram to the Canton authorities, announced his departure on August 2 from Honolulu for Hongkong on his way of return to China. Generals Li Tsung-jen and Pai Chung-hsi are reported to be delaying their return to Kwangsi in order to have a conference with Mr. Sun regarding the South China situation.

General Wang Chia-lieh, Chairman of Kweichow, announced that he would shortly visit Canton to have a personal meeting with General Chen Chi-tang. General Wang also declared that if time permits he will also visit Kwangsi to see General Pai Chung-hsi, Much significance is attached to the visit of the Kweichow Chairman.

A circular telegram announcing close cooperation between General Wang Chia-lieh and General Yu Kuo-tsai, Field-Commander of the Kweichow Bandit-suppression Forces, was issued by the two leaders August 4. The two Kweichow leaders pledge mutual sincerity and express determination to work together to clear up the banditry in the province.

However, according to a Chengtu message August 5, the official telegram issued from Kweiyang to the effect that Generals Wang and Yu have patched up their differences and promised to co-operate with each other is not correct. It is understood that when Generals Wang and Yu met at Kweilin on July 25, everything went on smoothly until the last day of the meeting when General Wang withdrew all his promises except that he would appoint General Yu Commissioner of the Civil Affairs Department of the Kweichow Provincial Government. This suggestion was rejected by General Yu and he charged General Wang with lack of sincerity. The two generals have again broken off relations and further fighting is expected in Kweichow between the two warlords.

More than 20 Japanese, who left Yunnan immediately after the outbreak of the Mukden Incident, have recently returned to Yunnan following the re-opening of the Japanese Consulate there, according to reports from Yunnanfu. While the Yunnan authorities do not have any anti-Japanese feeling, the public is bitterly against the Japanese and in many cases the people are refusing to have anything to do with the Japanese. Yunnan papers are publishing editorials openly advocating that the Chinese people should refuse to communicate with the Japanese and not to have any business relations with them. Huang Cheng-hsiang, a prominent Chinese business leader in Yunnanfu, recently assisted the Japanese in renting houses for them. On the night of July 17 Huang, while going to a dinner party, was stabbed by two persons and seriously injured. The two persons are believed to be members of the "Patriotic Association."

Nov. 12 Fixed as Date for Fifth National Kuomintang Congress

The Firth National Congress of the Kuomintang Delegates will be held at Nanking on November 12 as scheduled and there will be no further postponement, it was announced August 3 by an official of the Central Party Headquarters. According to the official, advance notices to the abovt effect have already been issued to the C. E. C. members in Canton and in other parts of the country, soliciting their views on the Congress and inviting them to attend the same in time. With regard to the agenda of the Congress, it is understood that besides holding elections of new members of the C. E. C. and C. S. C., the major domestic problems, foreign relations and military affairs of the country will also come up for discussion.

The Central Government is reported to be considering to dispatch another telegram to Hu Han-min, formerly President of the Legislative Yuan. Mr. Hu recently had the intention of going abroad on a mission of investigation of Party affairs among the Overseas Chinese communities, but his plans had been abruptly cancelled upon the advice of his followers.

General Chang Ting-fan, formerly Mayor of Shanghai Municipality and now member of the Central Executive Committee, arrived at Shanghai from Hongkong August 3 by the Dollora Liner President Cleveland. Interviewed on board the Liner, General Chang said that his trip to Canton was entirely for private business and that he was not entrusted with any mission by any quarters. While in Canton, he stated, he called on General Chen Chi-tang and other Southwest leaders, but the calls were entirely social in nature. General Chang denied personal knowledge of the report that Hu Han-min is planning to take a trip abroad. He said that he only saw the report in the papers and he heard nothing from Mr. Hu, when he saw him at Hongkong. Referring to the recent visit of General Ho Chien, Chairman of Hunan, to Canton, General Chang said that he understood that the trip was for the purpose of arranging for the abolition of the two Southwest organs, the Southwestern Political Council and the Southwest Committee of the Central Executive Committee.

The Central Mint, at Shanghai, which has suspended work since July 1 for the summer, resumes work August 1. The Mint is now turning out 200,000 silver dollars a day.

Finance Ministry to Englarge Central Mint Vaults

The Ministry of Finance has completed plans for the construction of a huge vault with a total capacity of from 100,000,000 to 130,000,000 silver dollars on the premises of the Central Mint in Shanghai.

Soviets Says Mutual Indebtedness Real Cause of Depression

Moscow *Izvestia* August 7 stated that the present far-flung system of mutual indebtedness, which to-day includes almost the entire world, is the real cause of the financial and economic depression throughout the world. "The colossal system of indebtedness has become a shapeless monster. Before our very eyes, something like an all-round world bankruptcy is developing. This does not only mean an increase of the general tension but a blow in the face to capitalism, since the latter is inseparably united with credits" *Izvestia* said.

Chinese Red Cross Society to Hold Conference Next Month

With the approval of the Ministry of Interior, the first national conference of delegates of the Chinese Red Cross Society will be held from September 24 to 28. The agenda of the conference includes measures for reorganization of the Society and its branches, election of new Boards of Directors and Supervisors, and the budget estimates.

University Reforms Prescribed by Ministry of Education

In addition to the reforms previously prescribed for a number of Chinese universities, the Ministry of Education has issued orders to a second batch of universities in the provinces of Hopei, Shantung and Honan to carry out various reforms based on the reports of the Ministry's inspectors who have investigated the work of the institutions concerned. Among the reforms ordered are the following:

National Tsinghua University: Administrative expenses should be reduced.

North-eastern University: Various school courses offered by the university not being adequate, should be withdrawn from the curriculum.

Peiyang Engineering College: The library and laboratory (workshop) equipment should be improved.

Tientsin Engineering and Commercial College (Private): The schools of Engineering and of Commerce should be altered to Departments of Engineering and Commerce.

Nankai University (Private): While this University is praised for its efficient administration and the excellent results achieved, the Ministry of Education recommends that its School of Economics be abolished as the courses offered are practically similar to those given by the School of Commerce.

Hopei Marine Products College (Provincial): Beginning from the next academic year, no new students should be enrolled for the time being.

Hopei Women's Normal College: The school courses should be reduced, so as to save expenditure.

Hopei Technical College (Provincial): The library and laboratory equipment should be improved.

Hopei College of Law and Commerce (Provincial): The library expenditure should be increased, the present appropriation being less than 6 per cent. of the total expenditure.

Hopei College of Medicine (Provincial): The library and laboratory equipment should be improved.

Hopei College of Agriculture (Provincial): Class work of the students being now over 40 hours per week, should be lightened.

National Shantung University: The library and laboratory equipment should be improved and more professors employed.

Shantung Christian University (Private): The laboratory equipment of the School of Medicine should be improved.

Shantung Provincial College of Medicine: More funds should be raised as so to strengthen the financial position of the college.

Honan University: The Civil Engineering Department of the College of Science should be abolished immediately.

Honan Hydraulic-Engineering College (Provincial): The Senior Middle School, attached to the College, should be reorganized into at Vocational School.

Reforms for various universities and colleges in Shanghai and Soochow are prescribed as follows:—

Soochow University (Private):—Comparative Law School (in Shanghai): Most of the faculty and administrative staff devote, at present, only part-time to the school. This undesirable practice should be rectified by substituting, full-time professors and administrative staff-members.

College of Arts and Sciences (in Soochow): The school, established decades ago, has achieved commendable results. However, the provision in its Regulations—that students who have completed two years' work in the school may be transferred to the Theological Seminary—should be abolished. The pre-medical course should be discontinued; the laboratory equipment should be improved, and more science professors employed.

Chih-Chih University (Private): The evening classes should be discontinued.

National Chinan University: The Departments of Banking and Accounting of the College of Commerce should be amalgamated into the Department. The Department of Railway Administration should be abolished while the Department of International Trade should be expanded.

Shanghai College of Law (Private): The class work and examinations should be conducted along stricter lines, more full-time professors should be employed, and the library augmented.

Shanghai Law College (Private): The dormitory should be expanded. As far as possible, full-time professors should be employed.

Chengfeng College of Arts (Private): More dormitories should be constructed, and more books purchased for the library.

National Conservatory of Music: Measures for strengthening the financial position of the school and the construction of school dormitories are to be devised by the Ministry.

Shanghai College of Fine Arts (Private): Chartered accountants should be engaged to untangle the financial complications of this school.

Hsinhua College of Arts (Private): More funds should be raised for the maintenance of this school while the accounting system adopted should be improved. The school dormitory should be expanded.

Soochow College of Fine Arts (Private): The financial position of the school should be further strengthened, and the treatment of the faculty improved.

Civil Service Examinations Are Held at Hangchow

The Chekiang Provincial Ordinary Civil Service Examinations for the selection of educational administrators was begun at Hangchow Aug. 1 under the personal supervision of Yeh Su-chung, Provincial Commissioner of Education. Altogether 116 students sat for the tests, which were held over a period of three days.

The importance of social education was emphasized by Chen Kuo-fu, Chairman of the Kiangsu Provincial Government, in the course of an address before the entire staff of the Provincial Department of Education at Chinkiang Aug. 1.

The acute unemployment situation among college graduates is largely attributable to the lack of coordination between the school curriculum and social needs, Tai Chi-tao, President of the Examination Yuan, stated in a recent communication to President Wang Ching-wei.

The Peiping *Chen Pao* comments:—"Formerly the demand for college graduates was confined to those of law and political science, there being practically no 'market' for graduates of agriculture and engineering. Now the situation has been completely reversed. This shows that the public is beginning to turn its attention to industry and agriculture. The trend of society has a close relation to the demand for talent. If the present demand for graduates of agriculture and engineering continues, China's future as an agricultural and industrial nation can be assured."

The Peiping Municipal Government, in a petition to the Ministries of Finance and Education, requests that, in accordance with a resolution adopted by the Executive Yuan, the educational grant of $10,000 monthly to the Peiping Bureau of Education be restored as from July 1.

A delegation representing the faculties of the various primary and middle schools at Chinkiang called at the Kiangsu Provincial Government August 2 to petition for the early payment of their salaries, which have been in arrears for the past six months, totalling about $80,000. Chen Kuo-fu, Chairman of the Kiangsu Provincial Government, promised to give immediate attention to their appeal.

The Ministry of Education has issued a circular order to all the schools throughout the country, strictly forbidding teachers to hold concurrent positions beginning from the next school year.

The employment of part-time professors in universities and colleges is to be strictly prohibited with the beginning of the new academic year. A ruling to said effect was made by the Ministry as far back as 1929, but has so far not been generally observed.

Twenty-Three Nurses Graduate at Nanking

The special training course for nurses opened by the Public Health Administration was concluded at Nanking, July 31. Twenty-three students were graduated. They will be dispatched to serve in health organs in the provinces and cities.

The National Economic Council at Nanking is reported to have completed preparations for the organization of four committees on public health, river conservancy, education, and highways respectively. The personnel of the committees has already been chosen and they will be formally established after the return of T. V. Soong, who is on vacation Tsingtao.

National Athletic Federation Approves Stand Regarding Manchukuo

A meeting of the Board of Directors of the National Amateur Athletic Federation was held in Nanking, August 3, under the chairmanship of Dr. C. T. Wang, Chairman of the Board. The meeting decided that the attitude adopted by the Chinese delegation at the recent Olympic meet at Manila in refusing to agree to participation of the puppet state of "Manchukuo" in the meet was correct. The Far Eastern Olympic Association is still regarded as in existance despite its illegal dissolution by Japan and the Phillipines. With regard to the forthcoming International Amateur Athletic Congress to be held in Sweden, Lo Chung-yi, Minister to Denmark, will be requested to represent China at the meeting. The delegates attending the meeting were entertained at dinner by President Wang Ching-wei in the evening.

Premier Okada Will Submit New Arms Scheme

Premier Okada was host Aug. 6 a banquet honoring leaders of the House of Peers. The following day he entertained outstanding members the House of Representatives.

Premier Okada is represented as being desirous of selecting a man as chief delegate to the forthcoming naval disarmament discussions in London who is an expert both in naval and political matters, since it is believed that the conference will discuss Far Eastern political questions and the Japanese mandated islands issue as well as the naval limitations question. It is believed in Japan that most of the veteran Japanese statesmen are supporting former Premier Saito for appointment as chief delegate, believing him to be the most capable man available. Meanwhile, N. Satoh, Japanese Ambassador to France, who is on leave in Tokyo, visited the Navy Minister Admiral Ohsumi and other naval leaders August 6 and discussed problems relating to the 1935 Conference and Japan's relations with the League of Nations. During the discussion, Admiral Ohsumi declared that Japan intends to submit an entirely new disarmament plan at the 1935 Conference, based on a spirit of international cooperation and peace. He declared that the existing naval ratios are harmful to the cause of genuine and lasting international peace.

Viscount Saito, the former Premier, probably will head the Japanese delegation to the 1935 naval arms limitation conference, it was indicated in official circles in Tokyo Aug 6.

Premier Okada Says There Will Be no Special Diet Session

Rumors current in Japanese political circles that the Government was contemplating the calling of an extraordinary session of the Imperial Diet to get its approval on proposed emergency farm relief measures have been definitely laid to rest. Answering questions put to him by five representatives of the Kokumin Domei, Premier Keisuke Okada August 3 definitely stated that he was not thinking of calling an extraordinary session of the Diet and had no intention at the present time to comply with any request to this end which might be made by the Seiyukai or any other party.

Social People's Party Asks for Special Session of Diet

The Social Peoples' Party (Shakai Taishu To), last week issued a statement clarifying its attitude towards the new Okada Cabinet and the demands it has placed before the new government. The statement declared that the new Cabinet is really an extended Saito Cabinet but that it is more bureaucratic. Its chief task will be the defense of Japanese capitalism which is in serious difficulties, being confronted with international political and economic crises.

The Party demanded that the following measures be immediately adopted by the new Cabinet for the promotion of the welfare of the nation :—

Convocation of a special session of the Diet and the dissolution of the House of Representatives :

Complete exposure of the Ministry of Finance scandal;

Imposition of a special levy on the profits of the munitions industries;

Distribution of rice stocks stored by the Government to the farmers, who are suffering from a severe shortage of rice for their own consumption, and state compensation for heavy losses suffered by cocoon raising farmers as a result of the disastrous fall in the price of silk cocoons;

Reestablishment of the Manchurian policy upon the principle of securing real independence for the Manchurian nation, and the conclusion of a non-aggression pact between Soviet Russia and Japan.

Prince Konoye Suggests Japanese-American Peace Machinery

Japan should make proposals to the United States and other Pacific Powers leading towards the establishment of new machinery of peace in the Far East, according to Prince Fumimaro Konoye, president of the Japanese House of Peers, who returned last week from a two-months' tour of North America. Prince Konoye expressed his views in a lengthy set of observations covering eight subjects, viz. immigration, American-Japanese financial relations, Manchukuo, China, Naval disarmament, peace machinery in the Pacific and bilateral agreement between the United States and Japan, Japan's policies and Japanese Soviet questions.

Prince Konoye reported that the American view was that should the present ratio system be abolished and Japan given the same naval strength as that of the United States and Great Britain, she would be so powerful in the western Pacific that the Four-Power and other treaties providing for a limitation in fortifications would have to be altered.

Japanese Are Optimistic Regarding Government Finances

Though the Japanese Government's statement of accounts for 1933-4 as at the end of May, recently released by the Department of Finance, records a revenue deficit of Yen 115,9000,000, the position, in the opinion of the Japanese press, is not bad at all. Besides the Monopoly Bureau's profits totalling Yen 171,900,000, subsequently transferred to the ordinary accounts, there has been additional minor income, and it is confidently believed in Japanese financial circles that the final statement will register a revenue surplus of a little over Yen Yen 70,000,000. When the amount already reserved for the 1994-5 fiscal year is deducted, the net surplus will be approximately Yen 12,000,000. Compared with the previous year, there has been a marked increase in tax income, stamp dues and incomes from Government enterprisee. This is indicative says the official statement of a favorable turn in financial circles in Japan. Of the tax income, land, inheritance and sugar were the only items which recorded a shrinkage. In all other items a further increase is believed to have been wtinessed up to the end of July of accounts was to be prepared.

Premier Okada in an interview in Tokyo August 4 stated that the Japanese Government is not planning to increase taxes during the next fiscal year. He said the taxation problem would have to the solved sooner or later, but the government had to consider individual abilities to carry the tax burden as well as means to bring about equitable rates. Political observers in Tokyo saw in the Premier's declaration an intention to follow in the steps of the Saito cabinet and float internal loans to make up next year's budgetary deficit.

Premier Okada and his entire cabinet attended the memorial services honoring the late President Paul von Hindenburg of Germany in the Remanzaka church in Tokyo Aug. 7.

A leading Japanese seismologist accompanied by an assistant will be sent to India soon under the auspices of the Society for the Promction of International Culture, to advise Indians on earthquake-proof construction, it was announced in Tokyo August 3.

Prerogatives of Baron Nakajima Are Suspended

Suspension of all prerogatives as a peer of Baron Nakajima, recently indicted, was announced Aug. 1 by the Bureau of Peerage and Heraldry of the Ministry of the Imperial Household.

The Japanese cabinet Augst 3 decided to spend Yen 4,000,000 for the relief of silk growers.

The Tokyo Finance Office announced Aug. 1 that the total revenue during the fiscal year 1933-1934 totalled Yen 2,133,750,000, showing an increase of over Yen 100,000,000 as compared with the previous year, while expenditure totalled Yen 2,249,650. Expediture thus exceeded revenue by Yen 115,900,000. Practically all sources of revenue show a considerable increase as compared with the previous year. National bonds issued during the fiscal year 1933-34 totalled Yen 753,000,000.

Lieutenant-General Kenkichi Uveda, Vice-Chief of the General Staff, who was prominent in the Shanghai "war" of 1932, has been appointed Commander of the Korean Garrison, succeeding General Kawashima.

Yoshiatsu Murakami, Japanese minister to to Peru, has approached the Peruvian authorities to seek moderation in the application of a law providing that 80 percent of all employes of commercial houses in that country should be Peruvian citizens. Many small stores operated by Japanese emigrants are affected by the law.

Voluntary restriction of Australian raw wool imports to Japan in retaliation for the prohibitive tariff imposed against Nipponese cotton textiles by the Dominion authorities is being discussed in Japanese wool spinning circles. The move would take the character of a sympathetic boycott. The new Australian tariff went into effect August 2.

Koreans on Trial for Conspiring to Free Country

The arrest of 60 suspected Communists of Korea was revealed by the police July 24 with the removal of a press censorship ban. The suspects, arrested in the course of raids since last May, include government employes, teachers and newspapermen. Information leading to the arrests was obtained in the examination of Boku Shuka, a government employe, on a charge of embezzling government funds. Others arrested include Kan Issei, head of the Kaiho branch of a Korean newspaper, and Boku Shoko a dealer in liquor. The police charge that the group was conspiring to free Korea from Japanese rule.

Emperor Kang Teh Will Visit Japan Next April

Tentative plans for the official visit of Emperor Kang Teh of Manchukuo to Japan next April are being drawn up by the Board of Ceremonies of the Japanese Imperial Household Department with the assistance of Ryusaku Endo, chief of the General Affairs Board of Manchukuo. According to provisional plans, a Japanese warship will be sent to Dairen to convey the Emperor and Empress of Manchukuo and their retinue to Japan.

Japanese Army Plans to Oust Ministry of Overseas from Control

Sweeping changes, whereby the authority of the Japanese Ministry of Overseas Affairs will be practically eliminated from Manchuria, have been proposed by the Kwantung Garrison authorities. The project, it is reported, calls for the elimination of the present so-called "three-in-one" system, whereby the Commander-in-Chief of the Kwantung Garrison, combines the posts of Japanese Ambassador to Manchukuo and governor of the Kwantung leased territory. Under the new scheme, the post of governor would be separated from the two others, with a simultaneous curtailment in the powers hitherto conferred upon the governor. At present, the governor of the Kwantung Leased Territory exercises supervisory powers over the Oriental Development Company, the South Manchuria Railway Company and its various subsidiary organizations, which are Government controlled organizations, various Japanese enterprises in Manchukuo, and the Japanese police in the S.M.R. railway zone. The Kwantung Garrisons's plans, it is said, call for the transfer of these powers to the Japanese Ambassador to Manchukuo. If adopted, the projected measures would relegate the Governor of the Kwantung leased territory to the rank of a mere administrative official equivalent to a prefectural governor. As the governor of the Kwantung Leased territory is a Ministry of Overseas Affairs appointee, the transfers of supervisory duties to the Ambassador, a Foreign Ministry official, would eliminate the authority of the Ministry of Overseas Affairs from Japanese enterprises in Manchukuo, it is pointed out.

Hiroshi Saito, Ambassador to the United States of America, will leave Tokyo on September 8, on a three weeks tour of Manchuria.

Two River Gunboats Commissioned at Harbin

Two 270-ton river gunboats, the *Shuntien* and the *Yangmin*, were commissioned at Harbin August 1 at a ceremony presided over by General Chang Ching-hui, Chairman of the Military Advisory Council of Manchukuo. The craft, built in Japan, were dismantled and later reassembled on the Sungari. They have a speed of 12 knots and are heavily armed with machine guns and anti-aircraft guns.

The inauguration ceremony of the wireless telephone service between Japan and Manchukuo was observed at the Tokyo Telephone Bureau August 1.

Seven vessels belonging to the Third Japanese Fleet, which patrols China waters, arrived in Port Arthur August 2, from Shanghai.

Following the reported discovery of asphalt deposits near the Fahliehlu river, northeast of Heiho in north Manchuria, the Manchukuo government is said to be planning to send a party of experts to investigate if any oil may be found in the vicinity.

A "Gas Cloud" from the Soviet Border

More than 150 persons out of the 400-odd inhabitants of Huma, a village north of Heiho on the Manchurian-Soviet border, are alleged in Japanese telegrams to have been made violently sick by a gas cloud that swept over the township from the direction of Soviet territory on July 15. The Soviet troops across the border had been carrying out poison gas maneuvers on said date, it was alleged.

Formal protest against the use of poison gas by Soviet troops in the vicinity of the Russo-Manchukuo border will soon be made by Manchu authorities to the U.S.S.R., the War Office in Tokyo was informed August 7. This follows repeated complaints made by villagers in the neighorhood of Heiho that scores of persons have been made violently sick by "mysterious clouds" that blew over the border from Soviet territory. Manchukuo authorities, the report said, have asked Soviet authorities to investigate the matter with a view to preventing its recurrence in the future. The U.S.S.R. officials recently replied, according to the official dispatch, that the villagers' sickness probably was caused by an epidemic and in no way concerned the Soviet government.

The South Manchuria Railway Co. has decided to offer to the public 8,000 shares of the Manchuria Chemical Co. and 3,000 shares of the Chosen Railway Co., probably in the latter part of August.

School for Old Manchu Families to Be Reopened

A recent Changchun despatch (*Japanese Military Information Service*) stated that a special school will be opened shortly for young people belonging to notable old Manchu families, including those of Imperial blood. Formerly, two special schools were opened in Mukden since the beginning of the Manchu dynasty, where only Princes and relatives of the Imperial family were admitted, but these schools were amalgamated in 1906 and the new school was highly praised and commented upon. When China became a Republic the school was closed, and turned over to the Educational Department of Mukden province, and it was used as the provincial normal school. However, when Manchukuo declared its independence, many people proposed the reopening of this school and a large sum of money has already been raised for this purpose, so the school is now ready to reopen. Ching Hu, who belongs to one of the Imperial family, has been elected to be the first President of the school, which will be supported by relatives of the Imperial family. It is expected that a large number of students will apply for enrollment, as there are many young people, not only in Manchukuo but also in China Proper, who belong to families connected with the Imperial Manchu household

According to recent arrivals from Manchuria intermarriage between Chinese and Japanese is being openly encouraged by the Japanese outhorities there. During the last three years no less than 120,000 Chinese youths in Manchuria have married Japanese wives, it is said.

The Japanese military authorities are constructing a new railway in Jehol between Chihfeng and Lingyuan.

Japanese troops last week were in hot pursuit of 80 "Manchukuo" cavalrymen stationed at Nanmalu who, under cover of darkness, revolted and fled from the town during the night.

A survey recently completed at Changchun estimates that $23,000,000 has been spent in said city on construction projects from January 1 to June 31 this year. Japanese investments totalled more than two-thirds of the aggregate.

Bandits Wreck One More C.E.R. Train—Crew Missing

Bandits wrecked a Chinese Eastern Railway workers' train near Imienpo August 5. After destroying the tracks, the bandits opened fire on the train, which was proceeding west about 25 miles outside of Imienpo. The locomotive and five of the wagons toppled over and were smashed. No trace of any of the members of the train's crew or workers could be found by soldiers who were rushed to the scene.

The increasing number of bandit attacks on trains operating on the eastern line of the Chinese Eastern Railway is occupying the attention of the "Manchukuo" and Japanese authorities. It is believed that the attacks are not isolated, but the result of a well-organized gang. Chinese Eastern railway trains were wrecked on an average of almost one every three days during the period from May 1 to August 5, company records showed. There were 30 cases of intentional mishap during that time.

An armed group of bandits attacked Hsiaosuifenho near the eastern border of Manchukuo early morning of July 21. The Japanese troops in the neighborhood were called out to deal with the outlaws and succeeded in repulsing them after sustaining one killed and four wounded. Three Japanese soldiers were killed and another seriously wounded several days previously while engaging more than 4,000 outlaws led by Teh Lin. The bandits were repulsed from Nihotze south of the Pingan station on the Harbin-Lafa Railway.

According to a report from Mukden, a large band of bandits totalling about 500 strong, including over a hundred Koreans, invaded Mukden about midnight August 5 and succeeded in gaining admittance through a side gate of the West Gate of the City. As soon as their presence was discovered, the entire Japanese force stationed inside the Wall was at once mobilized and a fight ensured between the invading bandits and the defending Japanese. Overwhelmed by the Japanese troops, the bandits scattered in different directions and plundered and set fire on a number of shops, making away with about $20,000 in cash. Despite their strenuous efforts, the Japanese troops succeeded in rounding up only about thirty of the bandits, while the rest all escaped. Investigation after the incident disclosed that three pedestrians were killed during the fight. The Japanese are taking precautionary measures and martial law is being enforced throughout the city after 10 o'clock at night.

In consequence of repeated plunderings by bandits, there is a shortage of food in Jehol City. It is reported that more than 300 persons have died of hunger during the past week while thousands are precariously subsisting on herbs. The city is without provisions of any sort, and the Manchukuo Government is frantically hurrying relief to the stricken town.

French Police Investigate Extortion Charge in McLure Robbery

The French Concession police are investigating a charge against Chow Ching-keng, compradore of Seth, Mancell & McLure in connection with a fraud case in which he has been tried in Frenchtown court with his attorney, Yen Loo-ching, for extorting large sums of money from a group of Chinese whom they identified as suspects in the recent $12,000 robbery at their office on June 9, people from well-to-do families. Chow and his attorney, Yen Loo-ching, are alleged to have attempted to collect $60,000 from three suspects in the case through intimidation. The avoid further litigation, a payment of $2,000 allegedly collected from Dr. Tang Ching-ngoh, one of the acquitted suspects, was said to have been refunded by Chow outside court.

Nanking Pressing for Treaty Revision with the United States

BY C. Y. W. MENG (孟 昭 涛)

SOMETIME ago, in discussing the New Chinese Foreign Policy (see March 24 issue of the *Review*), the writer made it very plain that despite bad circumstances and the "hard time" which China has been experiencing as a result of the creation of the Sino-Japanese crisis, she has striven on toward the abolition, in the nearest posssible future, of the so-called "unequal treaties," which were concluded about half or three-quarters of a century ago, and which reduced China to virtually a semi-colony of the Foreign powers; and we pointed out also that the present policy of the Government is to have more dealings with the powers which have already concluded new treaties with China, but less contact with the powers whose "unequal treaties" are still in existence. But in striving toward this goal viz., China does not follow the procedure of Soviet Russia in abrogating international agreements by merely issuing one or two declarations. On the contrary, the Chinese attitude is not aggressive, but conciliatory; the Chinese method is not revolutionary, but rather evolutionary, the revision of treaties whenever they expire. Up to about 1931, China had succeeded in revising many treaties with the foreign powers. Now, Nanking is reported to be quite determined to take up treaty revision with the big powers, such as America, Great Britain, etc. in the very near future. We have previously discussed the Sino-British treaty revision. Now we will discuss the Sino-American treaty.

Sino-American Commercial Treaty of 1903 Analyzed

This Treaty consists of 17 articles and three annexes. As is the case with the Sino-British Commercial Treaty of 1902, an analysis of the articles will reveal the fact that many of provisions in the Treaty have been fulfilled; and many of them have become unnecessary, and many of them could and should be abrogated, owing to the change of the circumstances, thus making the whole treaty "valueless" and its existence "unnecessary" and "not worthwhile." If it still exists, it is only an obstacle to the cultivation of better friendship and cordial understandings of the two countries in the future.

Article I provides for the exchange of the ministers by both countries, and Article II provides for the appointment of consular officers, their rights and privileges, etc. Every layman will conclude that such articles could be abrogated totally nowadays.

Article III provides the right by American citizens to reside and to establish factories in the treaty ports, etc. Space does not permit us to discuss in detail the right of the foreign citizens to establish factories in China, which is surely working to the very detriment of the Chinese interests and welfare. The Treaty provides only that the Americans would have the right to establish factories in China, but not so with the Chinese residents in America. It is the opinion of the Chinese that this article is too unilateral and unfair, and should not be permitted to exist in the Sino-American treaty. It should be abrogated.

Articles 4, 5 and 8 deal with the customs and tariff issues which should now be governed by the Sino-American New Tariff Agreement of 1929. These articles could be abrogated.

Article 6 provides for the establishment of warehouses by the American merchants, etc. Matters of this kind are now regulated by the Code of Customs Regulations and Procedure. So this article could be abrogated.

Article 7 provides for the revision of the mining regulations, etc. China has already done so. The present Mining Law is a collection and selection of the rules and regulations from other countries which are suitable to China. The undertakings of this category and the employment of foreign capital are now regulated by the Mining Law. So this article could be abrogated.

Article 9 provides for the protection of trade marks, etc. China has now an adequate Trade Mark Law. There are several trade marks disputes, but they are fairly settled in accordance with the law. So this article could be abrogated.

Article 10 provides for the establishment of a Patent Office and the enforcement of a Patent Law by the Chinese Government—something not found in either the Sino-British and Sino-Japanese commercial treaties. But the matter in question is purely of domestic concern, which should not be contained in a commercial treaty. So this article should be abrogated.

Article 11 provides for the protection of copyright, etc. China has already promulgated an adequate Copyright Law. So this article could be abrogated.

Article 12 provides for the right of navigation in inland waters, etc. But the same article also provides that "in case either party hereto considers it advantageous at any time that the rules and regulations then in existence for such commerce be altered or amended, the Chinese Government agrees to consider amicably and to adopt such modifications thereof as are found necessary for trade and for the benefit of China." Based on this provision, we should go on to demand revision. We are of the opinion that the matter in question is much easier than is the case with Great Britain.

Article 13 provides for the establishment of national uniform coinage, etc. As this is something purely of domestic concern it should not be contained in the treaty. At present. China has already adopted a uniform monitary system. Such article should be abrogated.

Article 14 provides for the freedom of preaching of Christian and Catholic Gospels, etc. In view of the fact that religious freedom is expressly provided in the Chinese constitutions, such article is no longer of any use. So this article could be abrogated.

Article 15 provides for the reform of the judicial system and the abolition of extrality. We believe the Chinese have made great improvement in the judicial system and administration in recent years, enough to justify the abolition of extrality. So we would demand that the Americans should now fulfill the promise to agree to abolition.

Article 16 provides for the prohbition of importation of morphia. Such article could be abrogated.

Article 17 provides for the period of revision.

The Treaty Is Already Ipso Facto Abrogated

Thus, a brief study of the Treaty will reveal to us that out of the total of 17 articles, 14 of them are either already ipso facto abrogated, owing to the change of the circumstances, or should be abrogated, if the Americans are "to respect the sovereignty, the independence and the territorial and administrative integrity of China" (see Article 1 of the Nine-Power Treaty) and if the spirit of the Washington Conference is to prevail. Formerly, China did not have adequate commercial laws, so it was necessary for the treaty to provide for and regulate the protection of trade marks, copyrights, etc., but it is no longer necessary today. Formerly, China did not grant religious freedom to her citizens, so it was necessary for the treaty to provide such freedom, but it is no longer of any use today. Formerly, China did not have adequate civil and criminal codes, so it was necessary for the treaty to provide extrality for the foreign nationals in China, but it is no longer true today. Out of the 17 articles, only 3 articles need discussion and revision. They are Article 12 on the right of navigation in inland waters; Article 15 on the abolition of extrality, and Article 17 on the period of revision. All the rest could and should be abrogated in entirety.

Americans and Chinese "Best Friends"—True?

Such is the Treaty which now still exists between China and America. Let us now turn to study very briefly the Sino-American relations during the past 50 or 60 years. On the surface, the Sino-American relations are very friendly, and the Chinese used to call the Americans our "best friends." A closer study of the Chinese public opinion nowdays will reveal to us that such is not necessarily the case; and the consensus of Chinese opinion is rather that the Americans are only our friends, but not our "best" friends. Our "best friends" are never late in demanding the same rights and privileges from us which were wrested from us by means of gunboats by other powers, said some Chinese returned students from America. While the other powers demand the "special" rights and privileges from China by means of gunboats, the Americans demand the same by means of diplomacy. While the other powers open the way of aggression in China, the Americans always follow the same footsteps. The American treatment of the Chinese in America is not what a best friend would do to his "best friend", as pointed out by some Chinese. So the saying that the Americans are our "best friends" has now become only a general presumption and belief of the common and ignorant Chinese, to which the American returned students and more educated Chinese would not agree. This is also partially responsible for the loss of influence of the pro-American elements in the country. These elements are in a majority, yet they could not get into power in the Government. Such is the "undesirable" turn in the Sino-American relations—which the Americans should realize and should take immediate steps to improve.

Americans Close Doors to the Chinese

The Americans are quite free to enter China and enjoy many of the special rights and privileges which could never be found in any other place under the sun, just as other "non-best friends" do.

But the Chinese are not so free to enter America and do not have any privilege at all. We have seen the Act of the Congress of May 16, 1882 restricting the immigration of Chinese laborers to the United States; the purpose of which was to exlclude laborers coming from China and to exclude laborers of the Chinese race coming from any other part of the world. The Scott Act of 1888 provides many requirements for the re-entering of the Chinese to America. The Act of May 5, 1892 provides for the registration of Chinese laborers with the local authorities and the prolongation of the exclusion of Chinese laborers into America for a period of 10 years. The Act of April 29, 1902 further revises the pricniples of the previous Acts. The Immigration Acts of 1907, 1917 and 1924 exclude the Chinese and other Oriental people from entering America These Acts are not only enforced in America but also in the American possessions in the Far East, such as the Philippine Islands, Hawaian Islands, etc. That the American colonial officers have been enforcing these Acts in the most "harsh manner" coulds easily be seen from the fact that from 1907-1916 —for period of 10 years—about 4,022 Chinese were alleged by the colonial officers to have illegally entered America and were arrested. About 2,928 were deported, 1,212 were released for lack of evidence, and 161 died in prison. The American Government never paid a single cash for their sufferings. Worst of all is the Californian legislation which provides that the children of the yellow race may not study in the same schools with those of the white race. Japan protested bitterly. But at any rate, the legislation still stands good today. So the Chinese conclude that our "best friend" has closed her doors to us. "It is much easier for the Chinese to cross over the Sahara Desert than to enter the U.S.", said some returned students from America.

If we will further make a comparison of the treaty provisions (see Articles 5, 6 7 of Sino-American Treaty of 1868) and the actual treatment accorded to the Chinese by the Americans, we will find that our "best friends" do not treat us as such and do not live up to their promise in the true spirit and letter of the friendly treaty.

Reasons for Revision—Chinese "Hopes" from the Americans

As stated above, China has determined to get rid of the out-of-date treaties through the process of revision of treaties whenever they expire. Reports from reliable sources state that Nanking is now paying great attention in the treaty revision with America and Great Britain. In doing so, China is not without her reasons for action.

In the first place, it seems to the intelligent Chinese public that since the articles embodied in the treaty are no longer necessary, no longer of any use, and no longer applicable and suitable to the present circumstances, and are already ipso facto abrogated as explained above, the Chinese do not see any reason why the Americans should let such Treaty still exist. Such Treatv serves nobody but serves only as a great impediment to the cultivation of better friendship and mutual understandings, and works only to the great harm of American interests and to the great damage of the American reputation, as explained above. From the standpoint of the American interests, as Chinese see it, the Americans should voluntarily come to the Chinese and offer to revise the Treaty with China, rather than to wait for the Chinese to demand the revision. When the Chinese do demand the revision, the Americans should show every sympathy with the Chinese and should be quite glad to meet and yield to the Chinese aspirations. Our "reason" as well as our "hope" is that, as a "best friend" of China, the Americans should do something for China which the others might not do. It is ill-advisable and irrational for the Americans to hesitate, or to await action from other powers, or to take the same action as others. It is more irrational for the Americans to participate in any international action which has in view counteracting the Chinese aspirations. At present, we understand, in compliance with the demands from a "certain power," China has to undertake the liquidation of outstanding debts, not only between China any a "certain power," but also with other powers. It is with regret to say that our "best friend" is also willing to participate and has presented a long list of debts which the Chinese have to pay.

But our confidence in our "best friend" is not yet totally lost; her fame as a "best friend" of China, though much damaged, is recoverable. It is now up to the Americans to show to the Chinese their genuine desire to cultivate friendship with the Chinese and to give us more assistance "in the time of need." The Americans may go on with the debt liquidation with us, as a matter of formality, but should not take this as "quid pro quo." In the meanwhile the Americans should go ahead with the treaty revision with China, and should do something which the others have not yet done. We still regard the Americans as our "best friends," but it is up to the Americans to prove to us they are really so.

Secondly, the Americans were the first ones to conclude the new tariff agreement with China restoring tariff autonomy to China. Our experience shows us that the Americans action was very wise and such action was quickly followed by the other powers. The American action won a great friendly feeling from the Chinese, who now hope the Americans will take similar actions with reference to the other special privileges in China. If the restoration of tariff autonomy to China is working no harm to the American interests in China, the abolition of other privileges can not harm American interests either; for the Chinese are sure to take the same care.

Thirdly, as everybody knows the Sino-Japanese treaty is still in existence and the situation in the Far East is still pregnant with every possibility of danger. It is during this period that China is particularly anxious to strive towards treaty revision with the Americans; and it is during this period that the Americans should be more than willing to yield to the Chinese aspirations. As a result of the loss of the Three North-Eastern provinces, China's prestige has been greatly damaged. But if China could succeed in the negotiations in the treaty revision with America and Great Britain, the success may well be interpreted as "friendly" action from some big powers towards China, and more particularly as a "helping hand" from American. It may well be interpreted as to mean that the world sympathy is with the Chinese. All these actions not only would help China to recover part of her lost prestige in the family of nations, but also would ultimately have much to do with the Far Eastern situation. Form the standpoint of the Americans, the success is equally significant. At present, the Americans have no desire to go to war with Japan, but the Americans are certainly desirous to avoid a possible conflict. The best way to save the situation is to make the aggressor realize that China, though militarily weak, is not without the sympathy and help of the world. That the Amreicans could now come to China to revise the Treaty during such period is an irresisble indication that the American sympathy is with China. And such American action would put the Japanesethe—aggressors—in a very awkward situation. In other words, such timely diplomatic action would serve both and would work for the benefit of both.

Principles of Revision

If our American friends would care to walk about on the streets and pay a visit to some Chinese book shops, they would be surprised to see the many articles have been written on the treaty revision, more particularly on the Sino-American and Sino-British revisions. They all express their earnest hope to see that the Americans would take some "initiative" action in the treaty revision with China, and would do something for China which others have not yet done, When we analyze the Chinese opinions, we may sum them up in the following points:—

1. The Americans should agree to the abolition of extrality.
2. The Americans should agree to the restriction of the rights of navigation in the inland waters of China.
3. The Americans should agree to remove many of the restrictions on the enterance of the Chinese into America.
4. The Americans should agree to make the most-favored nation treatment more bilateral in nature and reciprocal in application.

In conclusion, from the standpoint of Sino-American friendship and cordial relations and the interests of both countries, both China and America should take immediate steps to revise the Treaty—an action which China should insist upon going through, and an action which the Americans should agree to take.

Nanking, August 5, 1934.

Ministry of Industries Publishes Reports on Crops in China

A monograph just issued by the National Agricultural Research Bureau of the Ministry of Industries gives the results of data supplied by a large army of voluntary crop reporters in eighteen provinces (Manchuria, Jehol, Kwangsi, Kweichow, Ninghsia, Chinghai and Hsikang excluded), the total acreage devoted to, and production of, various important crops in 1933.

The report shows that acreage devoted to rice seems to be increasing in recent years, especially in Kiangsu. The total production in 1933 was 9,329,000,000 piculs (of 132 lbs.)

Wheat acreage seemed to be decreasing. The production in 1933 was 3,962,000,000 piculs.

Cotton acreage increased very substantially during 1933 due chiefly to the enormous increase in north Kiangsu. Among the other provinces, the acreage in Honan, Anhwei and Chekiang is increasing, while in Shantung and Szechuen it is decreasing. The total cotton production in 1933 was 187,600,000 piculs.

Nanchang Forbids Dancing, Kiangsu Forbids Lipstick

Under orders of General Chiang Kai-shek no dancing exhibition will be allowed to be held at Nanchang in future. The dancing performance (during which the girls are stripped to the waist are regarded as against the principle of the "New Life" movement.

Chen Kuo-fu, Chairman of the Kiangsu Provincial Government, has drawn up a set of regulations governing the dress of school girls in Kiangsu province. The regulations prohibit permanent waves, the use of lip stick and open-chest and open-back dresses.

Will Hu Han-min Make a Tour of Inspection to Foreign Countries?

BY PAUL K. WHANG (汪仲芳)

HU Han-min, conservative leader of the Kuomintang Party and former president of the Legislative Yuan, was offered a purse of $150,000 by the Nanking Government, if he would leave his Hongkong abode and make a tour of America and Europe to investigate party affairs. As if the original offer were not big enough to attract Mr. Hu, the purse, in accordance with a later report, has been increased to $1,000,000, and besides, a high-sounding official title would also be given to him, so that this staunch opponent of the Nanking Government could be royally received and feted by foreign governments. It is the hope of the Nanking officials that provided with this big fortune, Mr. Hu can visit every corner of the world with his politically-inclined daughter, and that the night life of Paris and New York might prove fascinating enough to make him forget Chinese politics, for a long, long time.

This is not the first time that the Nanking Government has "banished" its political enemies through this expedient; but never has it offered such a big price to get rid of a person whose presence is looked upon as a thorn in its side. From the standpoint of the government, it might be much more economical to offer travelling expenses to political enemies than to conduct frequent military campaigns to suppress the insurrections staged by those dissatisfied politicians and militarists. In pursuing this policy, the government may temporarily liquidate political opposition, but the peace thus bought is far from being secure and China still falls short of being a unified country.

In the eyes of Nanking officialdom. Mr. Hu is a formidable stumbling block in the path leading to the ultimate unification between Nanking and the Southwest. It has been contended that this unification could be easily realized if he can either play an active part in the Nanking regime or take a trip to foreign countries and forget Chinese politics altogether. Based on this conviction, Nanking through its delegate Gen Ho Chien, Governor of Hunan, in his recent talk of unification with the leaders of the Southwest, proposed that Mr. Hu should go either to Nanking or to foreign countries. Since the first alternative is not acceptable to Mr. Hu, the Nanking Government, therefore, has made such an attractive offer to induce him to leave China as soon as possible.

It is indeed paradoxical that while the Nanking Government has complained of financial difficulties in relieving the poor victims affected by the recent floods and drought, it, nevertheless, allegedly can offer a million dollars to a political enemy for his travelling expenses in foreign countries. On what ground can the Nanking officials justify themselves in spending such a big amount of money merely for the purpose of plucking a thorn in its side? Does the thorn prove so painful that its removal must be effected at any cost? Can the removal of this thorn instantly lead to the recovery of health to the sickly political body?

Hu Han-min as Second Fiddle

If the motive on the part of the Nanking officials in making such a generous offer to Mr. Hu is for the purpose of hastening the realization of unification between Nanking and the Southwest, they will soon meet disappointment. That the former president of the Legislative Yuan has had a considerable following can not be gainsaid; but to look upon him as a chief obstacle in the way of unification has over-estimated his political significance, and placed a premium on his past activities. He may prove a staunch opponent of the Nanking regime. He may refuse to reconcile his differences, either political or personal, with a few of the Nanking officials. And he may be insistent on sticking to his own political beliefs and theories. But what harm can he do to the unification of China, when he has not had one single soldier under his command?

It must be noted that under the present Chinese political conditions, politicians are often utilized by their military colleagues as a means to achieve their own ends. The commanders of soldiers are all-powerful, and their ambition has made them change their color as often as a chameleon. In order to increase their political influence, they will make use of the services of dissatisfied politicians and utilize them as their cat's-paws. Thus first at Nanking and now at Hongkong, Mr. Hu has merely played a second fiddle to his military colleagues and followed the policy dictated by the latter.

If Mr. Hu has any influence, it lies in his popularity with the people. He has been admired by many of our people because of his honesty and integrity as a state official. At this time when honest officials over the world are as rare as hen's teeth, he has always been referred to as a model official. But his obstinacy in refusing to reconcile his differences with his political enemies at the time of national crisis has brought forth many unfavorable comments from the public, thereby losing much of his popularity. Therefore his name added to any political group or independent movement can no longer serve as a drawing card to the populace.

The Southwest is now under the rule of three strong men, Gen. Chen Chi-tang of Kwangtung and Generals Li Tsung-jen and Pai Chung-shi of Kwangsi. If these three military leaders are determined to co-operate with Nanking, no eloquence on the part of Mr. Hu can persuade them to act to the contrary. On the other hand, if they insist upon the maintenance of their semi-independence or independence, the removal of Mr. Hu from the Southwest will not help the matter. Mr. Hu is not the master of the whole political show, but a puppet of these three military leaders.

Then why should the Nanking officialdom be so anxious to send him away from Hongkong? His presence or absence can not change the political wind, or brighten the prospect of an early unification of the country. The Southwest, it must be said, is now seeking for a close co-operation with Nanking, because of the fear of possible Japanese invasion. This overture of peace has, therefore, been prompted not by their consideration of the national welfare, but by their personal interests. This kind of co-operation can only last as long as the Japanese menace is present. Once this menace is gone, the leaders of the Southwest will likely resume their former attitude of independence.

Moreover, the report has it that Mr. Hu's influence over the Southwest has been considerably dwindling, and that many of his proteges have been ousted from their political offices. With the loss of his political influence, he is said to be unable to continue his stay in Hongkong, and to have to seek a means of escape from his present embarrassment. If such is the case, Mr. Hu will take a trip to foreign countries even without the generous offer of the Nanking Government. Then why should Nanking offer him such a big purse of travelling expenses to induce him to leave Hongkong?

An Unnecessary Offer

Nanking's generous offer seems to be unnecessary. To many political observors, it is interpreted as a price offered by the Nanking Government to buy Mr. Hu's allegiance and loyalty with the hope that he will once again throw in his lot with the Nanking regime. His returning to the Nanking fold will not only increase the prestige of the National Government, but will also brighten the prospect of national unification and peace. It has been said that the present president of the Executive Yuan has become increasingly unpopular with many of the government officials because of his weak-kneed policy vis-a-vis the Manchurian issue, and that a secret movement has been underway to oust him from his many political offices so as to make room for Mr. Hu's returning. This offer a foreign trip, according to their contention, is but a political move, by means of which Mr. Hu can regain his political power with the Nanking Government. It is further contended that the impeachment of Ku Meng-yu, a trusted lieutenant of Wang Ching-wei, is but a first step toward this goal, and that a reshuffling of the government personnel will follow when the political storm breaks out. All these political opinions, of course, can not be taken without a grain of salt; but in Chinese politics, there is always a wheel within a wheel, and even acute political observors can not adequately read and interepret many political signs appearing on the political firmament.

Granting that there are reasons for these political opinions, we, however, doubt whether a man like Mr. Hu, who is known as having high principles, will compromise himself in permitting his allegiance to be purchased with monetary considerations. If he loves money as many other government officials he could accumulate a big fortune ere now. Therefore it is highly problematical that a fat purse of $1,000,000 and a high-sounding official title will prove an attractive offer to induce him to take a foreign tour of inspection and reconcile his differences with his political enemies.

But unbelievable things have occurred in the past, and so unexpected changes will likely happen in future. In view of the fact that Mr. Hu is no longer a desirable person with the Southwest military leaders, we are inclined to believe that he might accept this opportunity to extricate himself from his predicament. A trip to foreign countries will certainly do immense good to his poor health as well as to his political outlook. The impression he will receive from his tour of inspection might modify his political beliefs and theories, so much so that he can readily co-operate with his political enemies to lead China out of her present crisis, as piously hoped by many of his admirers.

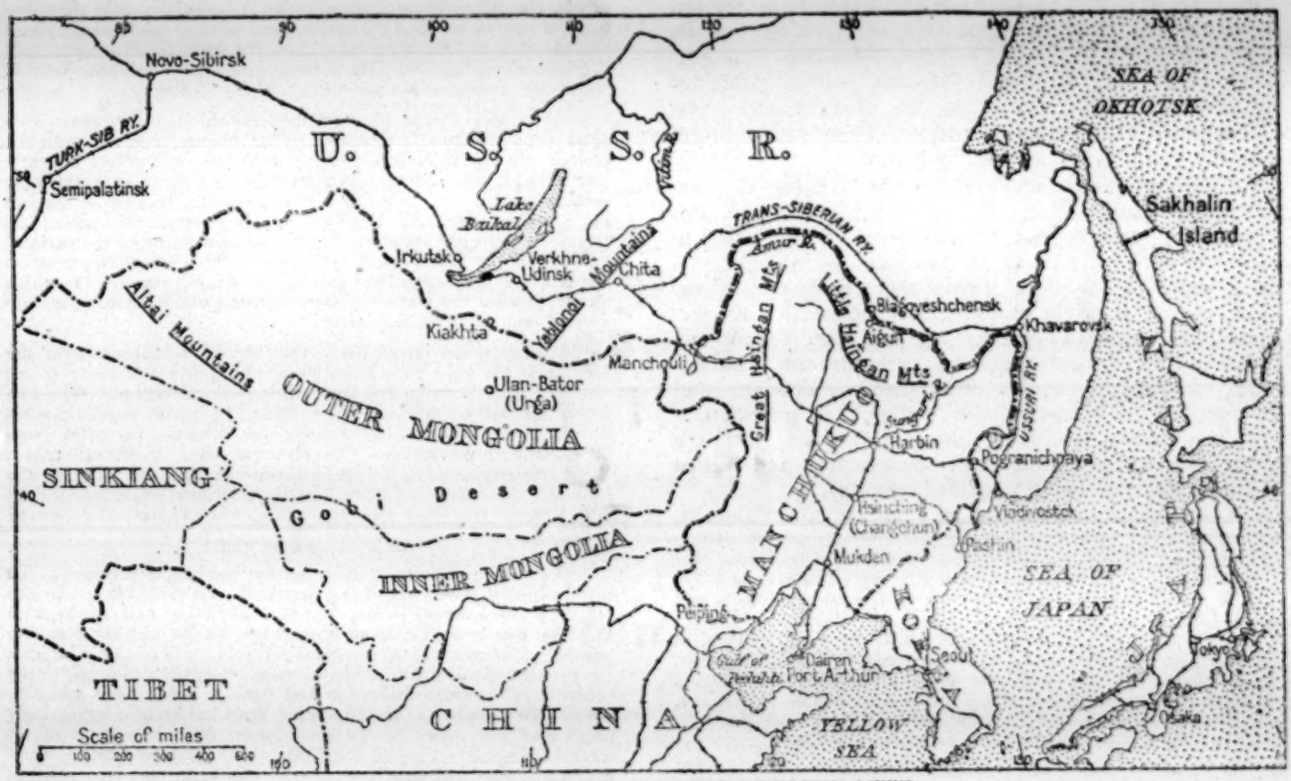
Shanghai, August 6, 1934.

The Strategy of Another Russo-Japanese War

By T. J. Betts *

THE inevitability and the imminence of an armed conflict between Japan and the Soviet Union are both of them matters open to doubt; and this writer is among the most skeptical. But if such a war comes, its initial course can be predicted with considerable confidence. Three underlying factors would in particular condition its character.

First of all, the initial blow would be struck by Japan. From the Russian point of view, delay is most advantageous. Each day that the stroke can be averted means a stronger, more efficient Red army at the front and a more solid industrial organization at the rear. In addition, the Soviet leaders know perfectly well the domestic advantages of a defensive war, as well as the international value of establishing a clear-cut case of aggression against their opponents. It is obvious Russian policy to postpone and await the shock.



WHERE RUSSIAN AND JAPANESE INTERESTS MEET

Secondly, a Russo-Japanese war would have few naval implications. Japan's fleet is dominant in the Far East; and Russian activity at sea would be limited to minor submarine operations out of Vladivostok. Under-sea craft are reported at that port, and their forays would have considerable value in keeping Japanese war vessels at a distance, particularly aircraft carriers, and in raiding the water communications between Japan and the mainland. On the other hand, Russia's European coasts are plainly beyond Japan's reach. The two countries are alike invulnerable by sea. Thus, in the broadest sense, neither antagonist can apply military-economic pressure on the other, and any blockage of imports must be achieved through political, not armed action.

The third point requires more elaboration. It turns about the fact that the potential theatre of war is dominated by what is called the Baikal region. Lake Baikal is nested in a complex of mountains stemming out of the mid-Asiatic ranges, which in turn have to their east the dry moat of the Central Asian deserts. The Baikal mass is prolonged to the north-east by the Vitini plateau. Parallel to this massif, and hovering above the Trans-Siberian railway, run the Yablonoi mountains, vulnerable to flank attacks, but still a formidable strategic obstacle. Japanese military tenure north and west of Manchuria would be insecure so long as hostile forces could roll out from or around this barrier. A Japanese victory without its possession would be sterile. On the other hand, there is no conceivable need of Japan's advancing further afield. The Baikal region is just as effective a barrier against an advance from the west as it is against a thrust from the east. To push west of the mountain mass would lengthen Japanese communications without any compensating strategic advantages. For the Japanese, then, a successful war means the prompt capture of the Baikal region. For the Russians, the essentials of ultimate victory are contained in the defense of this territory. It is the decisive zone of a Russo-Japanese conflict.

The Baikal Region—the Decisive Zone

The picture is both clarified and elaborated by an understanding of conditions east of the Baikal region and north and west of the Manchurian border. This vast territory has practically no industrial development and is served by a single railway, the Trans-Siberian, and its extension the Ussuri railroad. No unified system of motor roads exists and the capacity of air transport is slight. Over the railway must be transported practically every weapon and every pound of powder used by the Russian army in Eastern Asia. If the Trans-Siberian is cut permanently anywhere east of Baikal, the resistance of the Russian troops eastward of the break is limited to the duration of their munitions supply; for there is no reasonable likelihood of its replenishment. Now this section of the Trans-Siberian is peculiarly vulnerable to Japanese thrusts. Vladivostok itself is only a hundred miles from the Korean border. At Pogranichnaya and Manchouli Japanese-controlled railways stand ready to pour armies into Siberia. Another railroad is creeping toward Aigun. The natural corridor of the Sungari river is pointed squarely at Habarovsk. The plan of the Russians to construct a railway from Verkhne-Udinsk southward toward Kiakhta indicates how sensitive they are to the threat of an advance across the Mongolian plains. Eastern Siberia cannot be held by the Russians against a Japnaese advance in force. For the former, as for the latter, the Baikal region is the decisive zone.

Does this mean that, in a war with Japan, the Russian army would retire incontinently to the mountains, giving up a thousand miles of foreground without a blow? Hardly. Elementary strategy rules that an opponent should be brought up against the final defense position as late and as badly mauled as possible; and Russia, committed to a strategy of attrition, would seek all the more to defer the decisive battles. How can the Russians accomplish these missions? Primarily, they can fight a gigantic rearguard action up the Pacific slope of Siberia. It is certain that they would do so, but the battle, or rather series of battles, would be hampered by the difficult geographic situation already described. In the second place, and at the same time, the Red Army can defend Vladivostok.

That city is strongly fortified; and its mere retention by the Russians would necessarily occupy a Japnaese besieging force at least half as large again as its garrison. Blockaded and isolated,

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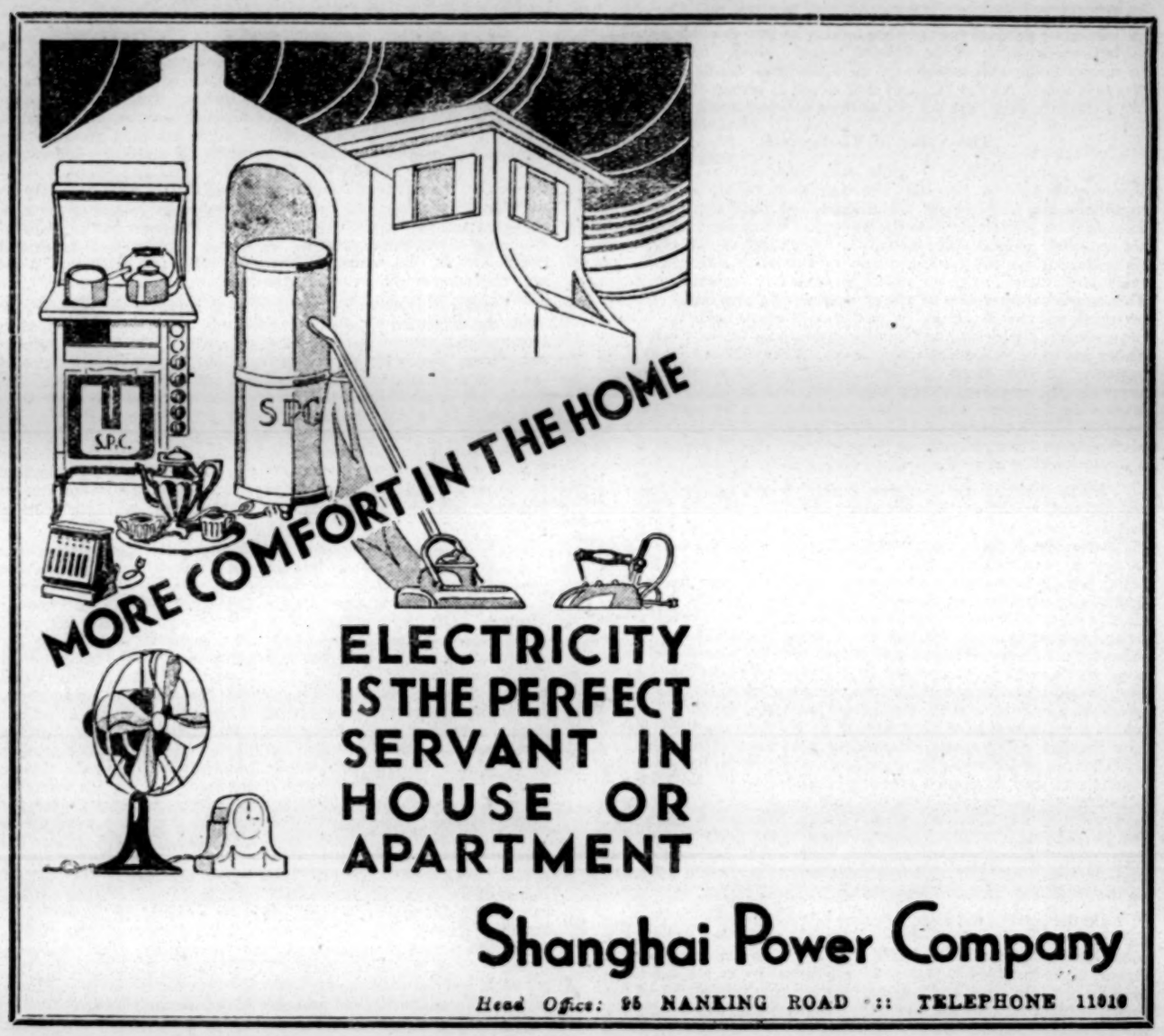
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its eventual fall would be certain; the length of time it could hold out would be determined primarily by munitions stocks rather than man power. But a prolonged defense there would do much to slow up a Japanese advance to the mountains. Furthermore, Vladivostok's superb harbor with its numerous approaches is a splendid base whence submarines can at least annoy and perhaps seriously hamper the water transfer of troops and munitions from Japan proper to the Asiatic mainland. Finally, Russia's retention of Vladivostok, the terminus of the Trans-Siberian railway, would effectually block an important communications route. And the possession of it by Japan would distribute the military load to be borne by Dairen and the Korean ports. Its importance as fortress, sea-base and terminal is clearly indicated by the steady reports as to its fortification in the last two years. In terms of the old bi-dimensional warfare, it is reasonable to suppose that there would be created here a rough analogy to the first Russo-Japanese war, with Vladivostok taking the place of Port Arthur. The injection of aviation into this situation serves to intensify it and to modify it, not fundamentally but still profoundly.

It is here necessary to digress and to compare the rival air forces of the Soviet Union and of Japan. Russia is able to concentrate (and apparently has sent to the Far East) some five hundred airplanes, of which more than forty and less than a hundred are heavy, long-distance bombers. Japan has in the neighborhood of a thousand military and naval planes ready and suitable for combat. Both forces are unproved, but their quality may be assumed to be good. While the two nations are deficient in anti-aircraft weapons, it will be shown that the lack weighs more heavily against the Japanese.

Much has been said about the vulnerability of Japanese cities, built of wood and paper. Significantly enough, this danger of incendiarism via the air, afterwards dwelt upon so elaborately by the whole "horror school" of writers on modern war, was first pointed out by Japanese who were interested in increased military budgets. In the opinion of this writer, wholesale and indiscriminate bombing of Japanese population centers may be discounted. None can be more deeply versed in the psychology of peoples at war than the rulers of present-day Russia. None can attach more importance to this factor. The cardinal aim of Moscow should be not the defeat, but the repulse of the Japanese armies. It should look for victory, not on the field of battle, but in the hearts of the Japanese people. Its aim should be to create a war-weary and demoralized nation, ripe for a social upheaval, rather than to break the Japanese armies in action. It should seek to numb its opponents rather than to sting them into a passionate resistance. Air attacks from Vladivostok against Japan proper eventually must cease with the fall of that stronghold; freed from the aerial menace, the citizens of Nippon would remember past Russian "outrages" without fear of their repetition. And on the absolute scale, the ability of a hundred bombing planes to destroy even one city in the period of their tactical life cannot be conceded. For these reasons, the indiscriminate unleashing of aerial destruction against the civilian population of Japan seems most unlikely.

Furthermore, the potential theatre of war offers splendid opportunities to an alert Russian air force based on the Vladivostok area and operating against purely military objectives. In that region it is on the flank of the whole Japanese communications zone. Munitions factories in Japan proper (as distinguished from towns as the object of indiscriminate attack), the Korean ports, Dairen, the railroad ganglions of Mukden, Hsinching (Changchun) and Harbin, all these are within its range. By properly selecting points of aerial attack, the Russians could seriously impede, if not dislocate, the smooth forward flow of Japanese supplies, munitions and reserves. More than that, if they were skilfully led the Russians might be able to immobilize for the period of their action most of the Japanese aviation. Japan's deficiencies in anti-aircraft material have been noted already. Given a few successful air attacks on scattered vital centers, the temptation to Japan would be to u

aerial units for local defense, resulting in the dispersion of forces, the ineffective protection of any one locality and the possible crippling of Japanese aviation in the fighting zones. Finally, Japan cannot be sure of being able to coop up the Russian air forces in the Vladivostok area. As the Japanese ring closes in on the fortress, they can always fly away, even if not at their pre-war strength.

The Value of Vladivostok

The potentialities of aviation thus enhance the value of the Vladivostok area to Russia. The necessities of air warfare also complicate the problems of the defense. Military airplanes spend three-fourths of their time on the ground. When not in flight they are peculiarly vulnerable to air attack. The result is that they must be dispersed in small groups, usually of twenty or thirty planes, to evade observation, to assure quick take-offs and to minimize losses. This means the provision of a large number of flying fields—already occupied, ready for occupancy, and even dummy fields to mislead the enemy. The fields must be near railways or motor roads if the planes are to be fueled and munitioned. They cannot be too close together, or the effects of defensive dispersion are lost. Consequently, the maintenance of a Russian air force around Vladivostok implies the defense of a whole area rather than of a fortress. Where possibly 50,000 soldiers could fulfill the mission of Vladivostok in bi-dimensional war, its defense as an air base should require in the neighborhood of three times that number of troops.

While Russia's air objective clearly would be the Japanese supply and transportation systems, equally obviously Japanese aviation would seek to find and destroy the Russian air force. If the Soviet flying fields were widely dispersed, that fact would tend to prevent any sweeping blows; and Russian anti-aircraft defense, being limited to relatively small areas, should be more intense and hence more effective than Japan's. There always remains the chance already suggested that the initial air attacks from Vladivostok might be so effective as to pin the Japanese aviation down to local defense missions at a great number of scattered points; but this is an ultimate possibility and by no means probable. Some may hold that Japan's first move, coinciding with or preceding the declaration of war, would be a swift blow at the Russian air bases, that the torpedo boats which crept into Port Arthur harbor on February 8, 1904, would have modern counterparts in wheeling squadrons of sun-blazoned attack planes which would carry the news of war in the fragmentation bombs that they drop on a grounded Russian aery. Such a belief is logical, but it overlooks the fact that the Soviet air force is not tied down to the Vladivostok area until it commences operations. Before that time it is only necessary to have flying fields in readiness; they do not have to be occupied. So far as can be ascertained from press reports, the bulk of Russian aviation is at present held well to the west and north of Kavarovsk.

On the basis of the foregoing data it is now possible to envisage the first phase of a Russo-Japanese war, on the assumption that conditions were substantially what they are today and that no other Power were involved. The task is undertaken in all diffidence. Men do not plan alike, and nothing is more certain in war than that events seldom happen as planned. The best that can be claimed for the next paragraph is that it is rational; but for that very reason it can predict neither blunders nor inspirations on one side or the other. What is related is what could happen, not what would or should happen.

The war opens with a Japanese aerial attack on what Japan hopes is the grounded and defenseless Russian air force. Some destruction is effected, but the Red aerial fleet is not crippled. Japan blockades Vladivostok and institutes a naval patrol of the whole eastern Siberian coast. Almost simultaneously the ground forces come into contact. The Russian mobilization is revealed as having two centers of gravity. One is around Vladivostok, and defends certainly as far north as Pogranichnaya, possibly to Kavarovsk. The second pivots around Chita, but its lighter concentrations extend to the east of Blagoveshchensk. From the Korean-Siberian frontier, along each of the railways radiating out from Harbin, through Jehol and Urga toward Kiakhta, Japanese columns plunge outward. From Japan proper her mobilized armies stream across the sea, first reinforcing the columns on the march, then forming a strategic reserve to exploit any crack which may be opened in the long Russian line. Despite aerial and submarine interference, that tide flows on. Russian resistance is fiercest around its two centers of gravity. The Red armies roll back sullenly, toward Vladivostok and the Baikal massif respectively. There is much hard fighting, no disaster. Finally the Japanese are fifty-odd miles from Vladivostok. The Russian air force, worn down to half its initial strength, leaves the doomed fortress. Japanese generals heave a sigh of relief. After hardships and uncertainties, the Russian air force, still a coherent entity, rejoins the main Soviet army now concentrated in the Baikal area. That army has been hard pressed but not disorganized. It has inflicted greater losses than it has received. The Trans-Siberian railway, under full load and overload, rushes replacements of men and supplies. Against it is arrayed the maximum power of Japan. It is now at least six months, at most a year, since the outbreak of hostilities. The armies are in the decisive zone. Now, and only now, can the answer be sought to the question: Can Russia hold Baikal?

The Armies Compared

The completion of the series of operations which may be described together as the battle for the foreground of Eastern Asia necessitates no evaluation of the relative strengths of the opposing forces. This is for the simple reason that the Russians, being concerned with prolonged resistance, delaying actions, and possible ruptures of communications, would seek naturally to allot the minimum of man-power required to utilize the munitions and equipment in the area. Meanwhile the Japanese find their forces strengthened by their favorable strategic situation. It is unnecessary to delve into either the dynamics or the psychology of war to perceive that they can sweep the Russians back to the main battle position. But once there, the adversaries are arrayed against each other and committed to the maximum sustained effort for decision. What are their relative effective strengths?

Qualitatively there is little to choose between the two armies. With the exception of aviation, neither is modern in the complete sense of the word. Each is short of artillery, mechanical combat vehicles and motor transportation; each has an imperfectly developed staff and command system. Both are traditionally brave and devoted, so far as individual soldiers are concerned. In a struggle such as is being considered, each army would assume the role for which it is best qualified by psychology and training: the Japanese on the offensive, the Russian in defense. In doctrine, the Japanese propensity to emphasize personal factors to the detriment of material is counterbalanced by a certain rigidity in current Russian tactical practice. All in all, man for man and unit for unit, the balance hangs very true.

The quantitative analysis of the opposing forces is another story, and that story cannot be told by a simple reference to available man-power. It is estimated that Japan, with two million trained men, can maintain at most a fighting force of some nine hundred thousand. At the outbreak of war she would logically set aside some three hundred thousand as home garrison, as stiffening for Manchurian troops along her communications, and as a potential expeditionary force to keep China quiet. Probably this initial subtraction from the field armies could gradually be made good. If the garrison troops were not called upon for operations, did not expend ammunition nor wear out equipment, the munitions, material and supplies produced for them could be devoted to the mobilization of an additional three hundred thousand for service in the theatre of war. Again, the Vladivostok operation would call for a detachment of from 150,000 to 250,000 men, with a tendency toward the higher number. The initial force deployed in the westward thrust would thus be from 350,000 to 450,000 men, probably nearer the former than the latter figure. But as the war progressed, the flow of reinforcements to the main army would continue. The replacements of the home garrison would come in a steady stream. Commitments around Vladivostok could be reduced to 50,000 men. As the Japanese prepared for the crucial assaults around Baikal, their man-power at the front might be prophesied to be 750,000 (a figure reached by subtracting the 50,000 men in the eastern Siberian garrison, and the wastage of 100,000 due to casualties not immediately replaced, from the 900,000 available in the theatre of war).

It will be noted that no provision has been made for Manchurian, Korean or colonial levies. The reason is clear. Japan is not limited by man-power but by her ability to maintain soldiers. The bottle neck by which her men must pass to the armies is economic, or rather fiscal. She can keep only 900,000 effectives in the combat zone and obviously would choose them from her own rather than from subject races.

Russia, too, has a bottle neck, but it is physical rather than fiscal. The Red army at peace strength numbers in excess of 800,000. Presumably a complete mobilization could bring six million men to the colors. Nor can there be any question of her ability to arm, supply and equip soldiers by the millions, given her control of industry, her ability to disregard the orthodox problems of finance, and her urge—her mania—for production. But before these millions may fight, they must reach the front; and once there they must be munitioned and supplied. Practically every man, some of his food, and all of his weapons and their missiles must travel on a narrow double strand of steel. The strength and efficiency of the Russian army in the decisive zone is a function of the capacity of the Trans-Siberian railway.

Now this capacity is something which it is very difficult to estimate. In its calculation there must be included many other factors than the sheer ability of trains to shuttle back and forth between Lake Baikal and the Soviet centers of war industry and population. Car and locomotive supply, operating efficiency, the friction attendant on long hauls and, above all, terminal and unloading facilities, all play an enormous part; and about these there is little accurate information available. In the Russo-Japanese war of 1904-05, the then single-tracked Trans-Siberian operated with great skill and raised the Russian forces in the Far East from approximately 100,000 men to a strength of 300,000 in a period of less than a year. The latter seemed to be a saturation point; Kuropatkin had some 310,000 men for the final battle of Mukden. The recent double-tracking of the Trans-Siberian should at least quadruple its capacity. Moreover, the hauls are shorter: the center of gravity of the Russian munitions industry has moved appreciably to the

PEIPING-LIAONING RAILWAY

ABRIDGED TIME TABLE

1st July, 1934 and until further notice.

Down Trains										Up Trains							
41 Slow D 1 2 3	301 Ex. S D 1 2 3	1 Ex. S D 1 2 3	305 Ex. S D 1 2 3	23 Fast D 1 2 3	5 Ex. D 1 2 3	21 Ex. S D 1 2 3	3* Ex. S D 1 2 3	MAIN LINE STATIONS		302 Ex. S D 1 2 3	22* Fast D 1 2 3	42 Slow D 1 2 3	4 Ex. S D 1 2 3	24 Fast D 1 2 3	2 Ex. S D 1 2 3	306 Ex. S D 1 2 3	6 Ex. D 1 2 3
5.45	15.05	8.45	18.50	13.15	16.30	20.15	10.55	dep.	Peiping - - -	arr.	10.24	11.29	17.55	18.42	23.17	9.18	8.19	11.50
6.20	15.36	9.13	19.20	13.46	—	20.48	11.24	,,	Fengtai - - - -	dep.	9.54	10.55	17.21	18.15	22.48	8.47	7.49	—
7.45	16.40	10.21	20.26	15.01	—	22.08	--	,,	Langfang - - -	,,	8.50	9.26	15.43	—	21.34	7.45	6.43	—
9.16	17.50	11.28	21.39	16.30	19.07	23.38	13.32	,,	Tientsin Central	,,	7.40	8.03	14.14	16.05	20.11	6.39	5.30	9.15
9.25	17.59	11.36	21.48	16.39	19.15	23.47	13.40	arr.	Tientsin East -	dep.	7.30	7.50	14.00	15.55	20.00	6.30	5.20	9.05
9.35	18.20	11.50	22.20	16.55	—	24.00	13.50	dep.	,, ,,	arr.	7.05	7.36	13.46	15.40	19.50	6.15	4.50	
10.38		12.47		18.03	Stop	1.10	14.47	,,	Tang-ku - - -	dep.		6.31	12.46	14.45	18.51	5.11		
11.46		13.45		19.08		2.18	15.40	,,	Lu-tai - - - -	,,		5.26	11.41	13.48	17.43	4.08		
12.52		14.42		20.11		3.32	16.39	,,	Tang-shan - -	,,		4.15	10.30	12.50	16.37	2.58		
13.39	FOR SHANGHAI	15.17	FOR PUKOW	20.47		4.20	17.14	,,	Ku-yeh - - -	,,	FROM SHANGHAI	3.30	9.44	12.18	16.05	2.16	FROM PUKOW	
14.29		15.49		21.21		5.12	17.46	,,	Lanhsien - - -	,,		2.32	8.45	11.39	15.22	1.18		
15.32		16.31		22.11		6.18	18.28	,,	Chang-li- - - -	,,		1.29	7.40	10.58	14.37	0.19		
16.16		17.04		22.46		7.07	19.01	,,	Pei-tai-ho - - -	,,		0.39	6.54	10.27	14.00	23.31		
16.43		17.23		23.08		7.33	19.20	,,	Chin-wang-tao -	,,		0.01	6.25	10.04	13.35	22.59		
17.05		17.40		23.26		7.55	19.37	arr.	Shan-hai-kwan -	,,		23.30	6.00	9.45	13.15	22.30		
		18.40						dep.	,,	arr.						21.26		
		16.25						arr.	Shenyang (Mukden)	dep.						10.15		

S. D.—Sleeping and Dining Cars. D. Dining Car.

Refund of Fares :— Passengers must get Station Master to endorse ticket in connection with which they intend to claim refund.

No. 3 and 22* Temporary suspended.

Tientsin, 1st July, 1934.

BY ORDER.

eastward since the fall of the Romanoffs, and the Baikal area is a good 1200 miles west of the theatre of the earlier conflict. On the other hand, the demands of modern war for material have also jumped three-and four-fold. With full consciousness of the likelihood of error, the writer nevertheless suggests that Soviet Russia can maintain approximately 400,000 effectives in the Baikal area. The current Russian concentration in the Far East, made in the shadow of war, comes well within this figure.

Let us assume that Russia can maintain and munition a field army 400,000 strong astride the Trans-Siberian. At once the question arises as to why she could not equip a large garrison nucleus of say 150,000 men in the Vladivostok area and cut it adrift; and then, while this detachment was occupying the attention of preponderantly larger Japanese forces, why could she not with her mobile army of 400,000 fall upon the Japanese in northern and western Manchuria while they were numerically inferior or at best of only the same strength? The answer lies on the map. Such an attack, to preserve its communications, must be frontal, down the Chinese Eastern Railway. It would be asking the Russians to batter against the Khingan mountains with certainly inadequate numbers, to place themselves in the position which they hope the Japanese would assume with reference to the Baikal area. In the operations in the Asiatic foreground we can expect local Russian counter attacks certainly, a counter offensive only if justified by events, and an initial offensive not at all. The more the problem is examined, the more clearly its basic elements stand out : a successful, if ardouus Japanese advance to the Baikal region and there the battle, or rather a series of battles, for the decision.

What can be said of these culminating operations? Can the Russians make good their stand around the great lake? Numerically they would be inferior, the odds against them ranging from at least three to two to almost two to one. In aviation also they should be weaker if they have used their air force boldly in the first phase of the war. They are committed to the defense of a single area, and it is a military truism that any one position can be captured. But they would possess the advantages of position, of being on the defensive in rought and broken country, with great opportunities for organization in depth and for powerful counter attacks. Also, the communications dilemma of the first phase is partially reversed. Japanese supply movements would be constricted by the bottle neck of a captured section of the Trans-Siberian, and their lateral road net, north and south, would have to be improvised. On the other hand, with the Okhotsk railway creeping away from the Trans-Siberian to north and east, and with at least the temporary use of a line from Verkhne-Udinsk to Kiakhta, the Russian reserves and supplies could be shuffied rapidly and scientifically between critical points. All in all, a certain superiority must be assigned the Japanese; but it is far from overwhelming and it must be remembered that wars are not fought *in vacuo* nor decided in staff map rooms.

In a war in the near future between the Soviet Republics and Japan the military objectives of both Powers are not orthodox or identical. Neither seeks the classical formula, "the destruction of the enemy's will to resist." The Japanese must achieve the conquest of a single section of terrain, vast and distant, yet limited. There can be no question for them of the annihilation of Russians armed power or the overawing of her continent-wide populace. The Rusisan aim is simply to cripple the Japanese will to attack, to sap Japan financially, economically and morally as well as militarily. If they attain this they have victory, even if their lines rock and stagger around Baikal. For the Japanese, then, even from the purely military point of view, there must be combined with the chance of defeat on the battlefield—unlikely but still possible—another chance, more formidable, of defeat by attrition.

We have now reached the boundaries of the military province in considering the potentialities of a Russo-Japanese war. Beyond lies the domain of the political writer. Yet perhaps a soldier may be permitted to look across that very narrow and baldy delimited line. It would seem that, as things stand today, Japan holds a certain balance of force and a likelihood, but by no means a certainty, of victory in battle. Against this she must weigh, if not her existence, at least her institutions and her social order. The odds are disproportionate to the stake. A chance which it seemed obligatory to take when the Tsar's bayonets sparkled on the shores of the Gulf of Pechili does not inivte to action, least of all single-handed, when the Soviet war planes drone no nearer than the Amur.

Chinese Woman Doctor Appointed Surgeon at Los Angeles Hospital

Dr. Annie P. A. Tseng, the resident surgeon of the Orthopedic Hospital of Shanghai, will depart from Shanghai on August 14 by s.s. *President Hoover* for a tour of the United States and Europe, where she will survey orthopedic institutions in order to study the latest methods of treatment and methods of educating crippled children through occupational therapy. She will remain for some time at the Los Angeles Children's Hospital, where she has been appointed assistant resident surgeon. Dr. Tseng is the great grand-daughter of the late Marquis Tseng Kuo-fan of Hunan. She received her training from Dr. W. S. New of the Orthopedic Hospital of Shanghai.

American Planes in Alaska Prepare for 1935 Maneuvers

Twelve U.S. Navy patrol planes arrived in Juneau, Alaska, July 30, after completing a 7,700-mile coastwise flight from San Diego, California, in mass formation. They later visited Cordova, Seward, Kodiak, Sitka and Prince Rupert. They are investigating the topography and flying conditions along the Alaskan Coast, preparing extensive reports for the U.S. Naval Air Service. The squadron of submarines with their mother ship started a on the same day from Juneau for the Aleutian Islands. Much of their work in said territory is concerned with the preparations for holding the 1935 annual maneuvers of the U.S. Fleet off the Aleutian Islands.

A squadron of Army planes is also in Alaska now, having completed a long flight from Washington, D.C. The Army and Navy are concentrating much of their attention upon Alaska, particularly the Aleutian chain, in view of its strategic position in the event of war with Japan.

U.S. Bomber Falls Into Mud-Flats in Alaska

The first casualty among the ten huge U. S. Army bombing planes which are making an aerial tour of Alaska following a mass flight from Washington, D. C., occurred on Aug. 4. On the flight from Fairbanks to Anchorage, one of the planes ran out of fuel and the pilot was compelled to make a forced landing on the mud-flats near Anchorage. The other nine planes, with their crews, arrived safely, however. The crew of the ground plane was rescued but the plane itself was completely submerged during high tide. None of the crew received injuries.

Canton Air Head Back from Europe, Rushes Air Defense

General Huang Kwang-jui, commander of Canton Air Force, arrived back in Canton August 3, accompanied by several Chinese pilots who went to Europe with him on an inspection trip. General Huang is proceeding at once with the scheme for the expansion of the Canton Air force. He is reported to have purchased a number of the latest type airplanes from Britain and has also ordered on behalf of the Canton Government some machinery from another country for the manufacture of aerial bombs. It has been decided to erect the aircraft factory at Shiukwan, northern Kwangtung, and the bomb manufacturing plant on Hainan island. As soon as the newly purchased machines arrive, additional air squadrons will be organized. It is indicated that the air force will be increased to 27 squadrons.

Canton Taxes Cigarettes to Raise Funds for Aerial Defense

The Canton government on Aug. 1, commenced the collection of a 10 per cent aerial defense surtax on cigarettes. The decision of the government has caused grave concern to the cigarette merchants who maintain that the new imposition is too drastic. The funds raised from the new surtax are to be used entirely for improving the city's defense against serial attacks. A hundred and eighty cigarette wholesale shops have decided to take concerted action to fight the new imposition and threaten to declare a strike if the proposal is not cancelled.

The *North China Daily News* comments.—"With Canton aiming at 320 machines and the Nanking program aiming at 300 machines, all of the latest type, there will shortly be in existence a combined air force which might alter strategical considerations in the Far East and will certainly cause misgiving as far as one neighboring country is concerned."

Two-and-a-Half Million Dollars Collected for Airplane Fund

Up to Aug. 6 a total of two and a half million dollars had been collected towards the "Airplane Fund" by the National Commission for the Promotion of Aviation. The funds are deposited in the Central Bank of China.

Clark Howell, American air expert and president of the Federal Committee of Aeronautics, is in Europe making a study of Continental aviation. Exportation of planes from the United States constitutes one-third of the total sales of American plane builders, Mr. Howell stated before sailing from New York.

It was announced in London recently that Imperial Airways had obtained exclusive rights to land in Newfoundland, with the result that it will be impossible for Pan-American Airways to continue with its plans for a trans-Atlantic mail and passenger service by that route.

It was announced recently in the House of Commons that the Air Minister had decided to give financial assistance to the British gliding movement. Financial assistance will be limited to a five-year period in the first instance, and be subject to an overhead limit of £5,000 annually. In view of the official recognition thus accorded to the national importance of gliding, the Air Ministry expressed the hope that generous financial support will also be forthcoming from private sources, in order to ensure the success of the movement.

The well-known South African airman, Victor Smith, who hopped off recently on a flight from the Cape to Croydon and last reported over the Congo flying north, is reported missing.

Pan-American Sikorsky Plane Breaks Eight World Records

Eight world records were broken in New York Aug. 2 when the giant Sikorsky seaplane S-42, pride of Pan-American Airways, averaged a speed of 144 miles per hour over a distance of 1200 miles. Especially constructed for Pan-American Airways' South American run, the plane was piloted on its test flight by Captain Boris Sergievsky and carried as passengers Colonel Charles Lindbergh and four other distinguished persons. Normally, the S-42 carries a load of 2,000 kilos represented by 32 passengers.

U.S. Navy Not to Build Planes Up to Full Provision of Vinson Bill

A recent *Hawas* message from Washington stated that American naval authorities have decided to effect a reduction in their proposed aviation construction program. For a period extending to 1942, the construction program is to be limited to 910 planes, instead of 1,184 planes provided for in the Vinson Bill and which would have brought the total of naval planes up to 2,184. U.S. naval officials are quoted as being of opinion that 1,000 planes for the American Navy constitute a sufficient number during times of peace.

The ordinary traffic plane of the German Lufthansa, plying between Berlin and London, a distance of 1,000 kilometres, set up a new record July 30 when the trip was made in two hours, 57 minutes actual flying time.

Elliot Roosevelt, 23-year-old son of the President, has been elected vice-president of the Aeronautical Chamber of Commerce of America.

The championship for stunt and acrobatic flying, at a meeting held in Paris, June 10, was won by the German airman, Fieseler, with 645.5 points. Second was the French ace, Detroyat, with 622.9 points, and third the German flier, Achgelis, with 537.6 points. The first prize was a cup and a check for 100,000 francs; the second 75,000 francs; and the third. 5,000 francs. The Spaniard, Dabren, was killed when his plane hurtled to the ground and burned.

The Soviet Council of the Society for Promotion of Defence and Aviation and Chemical Industries has formed a special committee to work on the problem of flying with the aid of the flier's muscular power. The first "flying bicycle," which is under construction now, will be tested in September in the Crimea.

Japanese Civil Air Lines to Get Government Help

Japanese civilian airlines are making strong efforts to secure from the Ministry of Communications a large appropriation for the next fiscal year for the promotion of the civil air service. The authorities of the Ministry are reported to be planning the enlargement of the scope of the aviation bureau, and are sympathetic to the idea of helping civilian flying. At present the number of civil aviators in Japan is 291, of whom only 52 are working on regular passenger air routes. Some of the rest are working at various aviation schools as instructors, or identified with airplane manufacturing plants and other establishments. The majority are unemployed.

Tomotane Kajiki of the Imperial Aviation Society of Japan in a recent interview in the *Japan Advertiser* deplored the fact that civil aviation has made so little progress in Japan. One of the reasons for this, he said, is fact that the country is small. One may reach one large city from another in a short time. If a man takes a train from Tokyo at night for Osaka or Kobe, he reaches his destination next morning. The distance is so short that the benefit of airplane transportation is limited. In a large country like the United States, there is a vast difference in the number of hours required by a train and an airplane in covering the distance between, for instance, New York and San Francisco. The benefit resulting from traveling or sending letter by airplane is accordingly great. The lack of funds to push civil aviation and the lack of enthusiasm for the enterprise on the part of the people are among the most important factors of the present condition, Mr. Kajiki said. The Imperial Aviation Society has been campaigning for the promotion of civil aviation, but the organization has had nothing to hold out as encouragement to aviators, because of lack of positions in the profession. The organization has been encouraging the manufacture of small and light airplanes and an increase in the number of small aviation fields and extension of air routes, but the authorities apparently have been unable to make headway.

The authorities of the Japan Air Transport Company look at the problem of civil aviation from a different angle. Mr. Saito, director of the air mail service department, believes it is futile to encourage civil aviation without a definite plan to assure a living for civil aviators. "Passenger air services are making money in no country," he said to the interviewer. "The service in Japan is no exception. Our conceon is how to make the deficit as small as possible. It is the air mail service, and not the passenger service, which will put the enterprise on a paying basis. Mr. Saito believes that a mere campaign for an increase in the number of aviators and extension of air routes will serve no practical purpose.

Japanese Firm Secures Manufacturing Rights for Douglas Airliners

It was announced in Tokyo Aug. 4 that manufacturing rights for the Douglas "Airliner"-type of passenger machines have been secured by the Nakajima Airplane works, with a plant near Tokyo. The deal was concluded through the Mitsui Bussan Kaisha, Curtiss-Wright agents in Japan. The amount of royalties which the Japanese company will pay the Curtiss-Wright Corporation owners of the patents was not disclosed. The Douglas "Airliner" is a 12 passenger, all-metal plane now being widely used by the Transcontinental and Western Air Transport in maintaining their schedules across the United States.

The Japan Air Transport Company, operating Japan's main air lines, is expected to purchase a number of these machines for use on the Japan-Formosa line flight which is scheduled to be inaugurated in 1935.

An agreement has been reached between the Japanese Department of Communications, the Fukuoka Prefectural Office and the Fukuoka Municipality in regard to the site for the new Fukuoka Airdrome. Located at Gannosu on the outskirts of Fukuoka, the new airdrome is suitable for both land and sea planes. It will become the main air base in the western part of the country.

Commander Hirabayashi was killed and two sailors slightly injured, when the airplane in which they were flying crashed into the sea at the entrance of Tokyo Bay during the night of Aug. 4.

"Paddle Wheel" Planes, Without Wings, Predicted

Airplanes using "paddle-wheels" in place of wings and propellers, and simplified transport planes were described to members of the aeronautics division of the American Association for the Advancement of Science at a meeting held at Stanford University recently. F. K. Kirsten, University of Washington, and William Brobeck, Emeryville, California, forecast development of the steam engine and "paddle-wheel" planes. Resembling a ferry-boat in flight, the paddle-wheel craft would utilize cycloidal construction to replace wings and screw-propellers of the present type.

Victor Hoo, Minister to Switzerland, Feted by Chevalier Chen

Dr. Victor Hoo, Chinese Minister to Switzerland, proceeded to Nanking August 5 to see President Wang Ching-wei, concurrently Minister of Foreign Affairs. He was scheduled to leave Shanghai for Europe August 9, by the Italian mail liner, *Conte Verde*, to return to his post. Chevalier and Madame S. K. Chen, gave a reception for Dr. Hoo Aug. 3 at their residence at 272 Route Pere Robert. Chevalier Chen is Dr. Hoo's father-in-law. Two hundred prominent foreign and Chinese officials and local residents attended the reception. Among those who were presenwere the French consul-general and his wife, the British consul, general, the Belgian consul-general, the Polish minister and his wife, the French consul, J. Coiffard, Captain J. J. Bahnson, head of the Great Northern Telegraph Company, and prominent members of the French police. Among the Chinese guests present were Yu Cho-ting, chairman of the Chinese Chamber of Commerce, Yu Ya-ching, a local shipping magnate, P. J. Wang, general manager of the *Sin Wan Pao*, T. B. Chang, managing director of the *China Times*, and Mrs. Chang, Mr. and Mrs. Jabin Hsu, Mr. and Mrs. K. C. Li, and Dr. P. W. Kuo.

Father of Murdered Boy Appeals Against Japanese Verdict

Yeh Hsiu-yi has sent a letter to the Chinese newsapers appealing against the sentence in the Japanese court in Nagasaki in the case of the murder of Yeh Mu-hwa, of Nagasaki. The father appeals for the support of the Chinese public and the government in fighting for a right judgment on the murder of his son. The letter states that on May 24, this year, his son was murdered by a student in a commercial school in Nagasaki. The father charges that the Japanese court in Nagasaki in handling the case showed favoritism to the defendant and based its judgment on one-sided testimony when it sentenced the murderer to from two to seven years imprisonment.

Mayor Wu Entertains Pacific Area Student Leader Delegates

Mayor Wu Teh-chen gave a tea party at his home in Avenue Haig August 2 to the delegates to the Pacific Area World Council Student Leaders Conference which assembled in Shanghai last week. In a short speech Mayor Wu said Shanghai was proud of the fact that it had been selected as the meeting place of such an important gathering. Mayor Wu said he was keenly interested in the aim of the conference, namely, to bring about better understanding among all races and all countries for the consummation of world peace.

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Province of Yunnan Makes Much Progress

Liao Yung-tai, Industrial Commissioner of Yunnan province, at present in Shanghai, in an interview related how Yunnan has been developed from a bandit-infested province, poor and undeveloped, to an industrial and self-supporting region.

According to Mr. Liao, Yunnan, as an interior province, has set a precedent by establishing direct trade relations with Europe and America, to which countries $20,000,000 worth of tin is being exported annually. These dealings are greatly facilitated by a radio station, through the aid of which huge contracts are being entered into with foreign firms in New York and London. Tin has been produced in Kokiu, southern Yunnan, for a number of years, but due to the backward method of handling this mineral, all the tin to be sent abroad had first to pass an inspection of the Hongkong Government in former years, Mr. Liao said. As a result of improvements made by the authorities in the manner in which tin is produced, and the building of a railway linking Kokiu with Tongking, this mineral product is now being shipped directly to America and England from Haiphong.

Among other products which are being exported annually in large quantities, according to Mr. Liao, are tea, medicine, leather, raw material for paint, etc. With a view to developing industrial enterprises, the authorities have decided to build a large electricity plant in Futse Hsien, to the north-west of Yunnan, capital of the province, at an estimated cost of $20,000,000. Mr. Liao revealed that, with the progress in commercial and industrial developments, the economic situation in the province is sound and the provincial treasury can afford to finance the construction of such a plant.

Shanghai Exports to United States Amount to U.S. $607,400 During July

Exports from Shanghai to the United States during July amounted to U.S. $607,400, while the total of Shanghai exports to the United States for the first seven months of this year, January to July, inclusive, was U.S. $7,221,382, according to declared exports returns compiled by the local American Consulate General and released Aug. 8. July reports of edible animals and animal products amounted to U.S. $2,813, while exports from Shanghai to the United States for the period from January to July amounted to U.S. $16,963. Inedible animals and animal products, including raw hides and skins, furs and fur manufactures and other inedible animal products, exported to the United States from Shanghai during July amounted to U.S. $89,797. The same exports for the first seven months of 1934 totalled U.S. $3,979,767. Exports during July of edible and inedible vegetable food products, including beverages, vegetables and preparations, fruits and preparations, vegetable oils and fats, coffee, cocoa and tea, drugs, herbs, roots, leaves, etc., oil seeds, vegetable oils, dyeing and tanning materials nd miscellaneous vegetable products, amounted to U.S. $113,131, while the January to July exports of the same products were figured at U.S. $555,136.

Textiles exported to the United States from Shanghai during July amounted to U.S. $358,429, whereas the January to July total was U.S. $2,385,040.

Government Completes Study of Outside Roads Compromise Scheme

A special message from Nanking in the *China Press* August 9 stated that the Executive Yuan, the Ministry of Industries and the Ministry of Communications have finished their study of the compromise scheme for the solution of the extra-Settlement roads issue in Shanghai and will soon advise the City Government of Greater Shanghai accordingly . It is expected that the City Government of Greater Shanghai will resume its negotiations with the Shanghai Municipal Council along the lines proposed by the Executive Yuan and the Ministries of Industries and of Communications for a final solution of the outside roads question. The compromise scheme was reached some time ago following protracted talks carried on between Messrs. O. K. Yui and Sterling Fessenden as representatives of the City Government of Greater Shanghai and the Shanghai Municipal Council respectively. The scheme provides detailed measures for handling the questions of police administration, road construction and taxation over the outside road areas.

More Than Five Hundred Bandits Invade Shenyang

More than 500 bandits, including some 100 Koreans on the night of August 5 invaded the walled city of Shenyang and escaped with booty valued at $20,000 after looting and setting fire to seven shops, the official *Central News Agency* reports from Tientsin. Entering the city by the West Gate, the bandits made a surprise attack and occupied the seven shops, the report said. When an alarm reached the Japanese and Manchukuo authorities, police and soldiers were rushed to the scene. In view of the presence of many excited pedestrians on the thoroughfare, the officers did not use their weapons. Pocketing their loot, the bandits ran for liberty, with the officers in hot chase. All escaped and the officers arrested 32 persons as suspects. Strict precautions are now being taken to prevent a repetition of the invasion, the report added.

A Tientsin despatch appearing in the *Sin Wen Pao* gave a different version of the incident. The "bandits" were described as Chinese volunteers formerly under the command of General Teng Tieh-mei, who is now being detained by the Japanese and Manchukuo authorities. The volunteers, 500 strong, invaded Shenyang in an attempt to obtain the release of General Teng. When they entered the city, they were accosted by the Manchukuo forces and a heavy street battle took place. Japanese forces joined in the battle, using freely the machine-guns and smaller artillery pieces.

The encounter lasted for two hours with few casualties either side. The volunteers, outnumbered by the combined Japanese-Manchukuo forces, retreated. On Monday, the Japanese authorities conducted a city-wide search, arresting 32 Chinese and three Koreans.

Y. Y. Tsu Gives Details of China's Progress at Japan Meet

Y. Y. Tsu of Shanghai was a speaker recently at the session of the Oriental Culture Summer College at Karuizawa, Japan.

Mr. Tsu in his speech told how the adoption of the Mandarin dialect, which is now spoken by three-fourths of the people, helps to unite the nation and is the foundation for an educational revolution. A second change is from approximation to exactness, which is due to the recent emphasis on science. The change of the status of women and co-education are also modern movements in the cultural life of China. Lastly the development of rural-mindedness is bringing about a decided change in the culture of the Chinese people.

Among the other speakers was Dr. T. Kagawa, internationally known Christian social worker, who spoke on the rural problems of Japan.

Harbin-Seishin Through Traffic to Begin in October

Through train service between Harbin and Seishin, the North Korean port, will be established from the beginning of next October as a result of negotiations between the North Korean Railways, the South Manchuria Railway Company and the General Direction of Manchukuo State Railway, it was announced in Seoul August 2. The present schedule on the Hsinking-Seishin line will also be speeded up from October 1. With the opening of through traffic, the present 70-hour run between Seishin and Harbin will be reduced to 35 hours, and the Heishin-Hsinking run, which at present takes 24 hours and 30 minutes, will be cut down to 19 hours.

Chinese Troops Take Possession of Kashgar

Four hundred Chinese and 2,000 Moslem troops under command of General Kung Chen-han, head of the Peace Commission from Urumchi, entered Kashgar August 7, thus bringing quiet to the city. Due to depredations by marauding bands, a somewhat precarious situation had prevailed in the city since the defeat of the Tungan forces under General Ma Chung-ying, the rebel Mohammedan leader, there having been an absence of all authority to maintain order.

Bandits Slay Kailan Employee Because Ranson Was Not Paid

Owing to the ransom of $150,000 not being forthcoming, Kuo Ching-lin of the Kailan mines at Machiaokow, near Tangshan who was recently kidnapped, was killed by the bandits August 7. It is reported that the bandits, totalling more than 100, are now entrenching at Taoyuan Shan, a mountain some 10 li (over 3 miles) east of the mine.

Central Bank of China Has $74,440,206.00 in Circulation

The Central Bank of China as of July 31, 1934 according to the report of the supervisory committee, had a total of $74,440,206.00 of dollar notes and subsidiary coin in circulation. The reserves to an equal amount included cash $60,826,206.00; securities reserve, $13,614,000.00. Customs gold notes in circulation, C. G. U. 373,324.70, fully secured.

China National Aviation Co. to Run Week-End Service to Tsingtao

A week-end aerial-service between Shanghai and Tsingtao will be operated by the China National Aviation Corporation beginning Saturday, August 11. The airplane will leave Shanghai at 7 a.m. every Saturday and reach Tsingtao at 11.30 the same morning. The plane will take off from Tsingtao on the return journey at 2 o'clock on Sunday afternoon, reaching Shanghai at 6 p.m. The fare for a round-trip will be $200, and for a one-way trip, $100.

A Letter to Mr. Kagawa, the "Ghandi of Japan"

The following are extracts from a letter by K. H. Lung, now residing at Los Angeles, California, recently written to Mr. Kagawa, generally known as the "Ghandi of Japan," who at the time of the Manchurian incident wrote poems of apology to China and her people.

"Is it God's design and decree that Japan must become the master of the world and thereby make all other peoples her slaves? How long can Japan's ruthless militarism and imperialism last? And what will be the ultimate outcome of these? I do not think one needs great intelligence and foresight to predict what they will lead us to. They will lead, and in fact they have already led, us to international hatred, terrorism, war and mutual destruction.

"I think you will admit, and in fact you in your poems have already admitted, that your country has committed many crimes against China. But I do not think you could ever realize the kind of sufferings my people have been bearing on account of your military invasion and imperialistic aggression. If there ever was a Christian nation at all in this world, that nation would be China, for China is the only nation that has lived up to at least one of the principles of Christianity. When her enemy smote her on the right cheek, she turned to him the other also; when he compelled her to go a mile, she went with him twain. It is a great paradox that those nations who are called Christian nations are founded, protected and supported by physical force. Their greatness is mainly based upon physical supremacy and not upon moral suprumacy, as taught by Christ and most of the Indian and Chinese philosophers. If I remember correctly, you once pointed out that western missionaries who come to preach in the Orient carry in one hand a Bible and in the other a sword. And you were quite right at that. But does it not also appear to you to be rather ironical that while you are preaching the doctrine of Christian love among the people, your country has dispatched troops to China, and is still maintaining them on her soil, to destroy her property, to kill her peasants, and to sow the seeds of hatred and militarism in the hearts of her people?"

"Overseas Chinese Should Be Given Protection if They Invest"

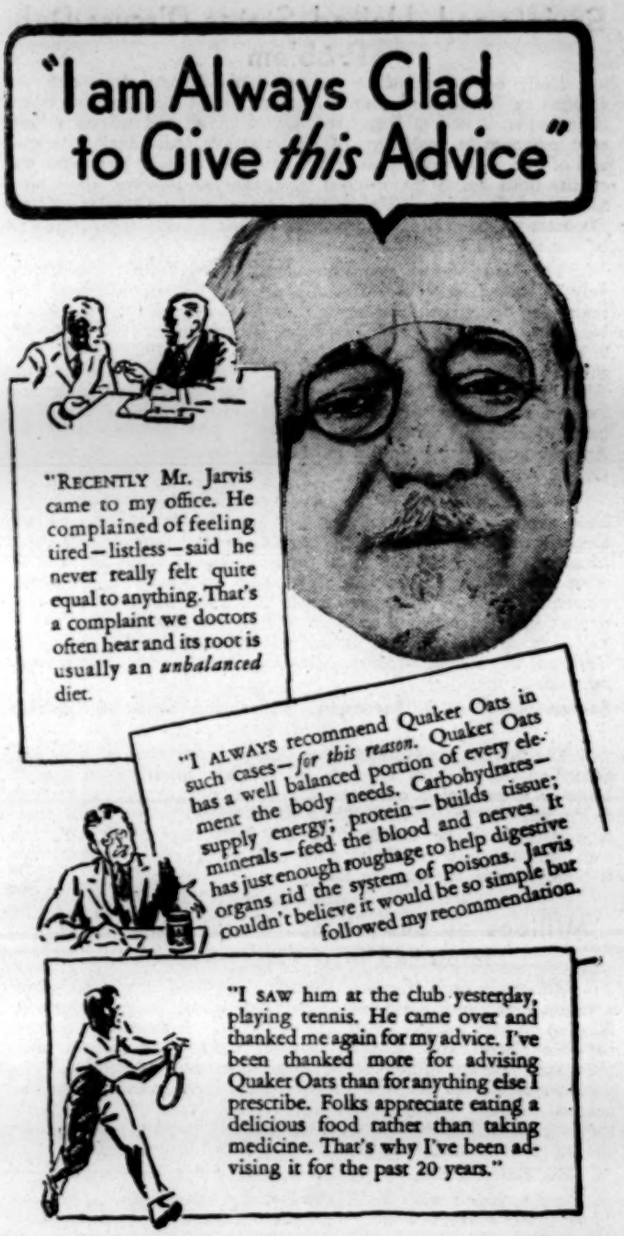
That the overseas Chinese should first be assured of protection for their interests before they are invited to invested in their motherland is the gist of leading article appearing in the *Shun Pao*, local Chinese daily, Aug. 6. The paper says that the overseas Chinese are more patriotic than the people at home, and have contributed millions of dollars to their home country for various purposes, but all they receive in return is some spiritual comfort. If the Government can restore their confidence in the authorities, guarantee safety for their investments and encourage their trade abroad, the overseas Chinese undoubtedly will be willing to invest their money at home.

"It must be pointed out" says this Chinese journal "that the overseas Chinese have already been deceived on many occasions when they made investments in China and finally got nothing in return. Many Chinese have gone to foreign countries to solicit contributions and investments under the pretext that they would start an enterprise. But when once they got the money they never were seen afterwards. Naturally this practice has considerably removed the trust which the overseas Chinese have in their brothers at home."

British to Subsidize Tramp Shipping; Japanese Ship Subsidies to Be Renewed

Both the British and Japanese Governments are at present tackling the question of ship subsidies. The British Merchant Officer's Federation published a report August 2 in which it described proposed subsidies for tramp shipping as a hesitant and faltering step in the right direction. The Federation urges that a subsidy should be withheld from vessels not manned by British officers and engineers holding Board of Trade certificates. It also urges an embargo on the sale of ships to foreign countries except for breaking up. The Federation condemned in very strong terms the Government's "scrap and build" policy which, it says, cannot possibly benefit British shipping or enhance Britain's maritime position, while it will inevitably increase unemployment among officers and men.

The Japanese Shipping Investigation Board has recommended that the present subsidy system should be continued for a further five years when it expires in October next year. It recommended, however, that the subsidy should be reduced from Yen 50 to Yen 48 a ton, while 500,000 tons of new ships, including passenger craft and fast freighters, should be built, and half a million tons of old ships should be scrapped.


"I am Always Glad to Give *this* Advice"
"RECENTLY Mr. Jarvis came to my office. He complained of feeling tired—listless—said he never really felt quite equal to anything. That's a complaint we doctors often hear and its root is usually an *unbalanced* diet.
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"I SAW him at the club yesterday, playing tennis. He came over and thanked me again for my advice. I've been thanked more for advising Quaker Oats than for anything else I prescribe. Folks appreciate eating a delicious food rather than taking medicine. That's why I've been advising it for the past 20 years."

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Quaker Oats

D-13

Soviets and United States Discuss Debt Problem

Early settlement of the Russian-United States debt issue was forecast in Washington Aug. 1 by a report of the Foreign Policy Association, which said that the Soviet Union had offered a lump sum payment in settlement of the claims of individual Americans and of the Kerensky claims. The amount of debt payments and credits both are to be reached by agreement between the United States and the Soviet Union, the report said. Officials of the Department of State declined to comment on the revelations of the Foreign Policy Association.

The *Osaka Mainchi's* correspondent, wiring from Washington July 30, stated, however, that Ambassador Troianovsky and Secretary of State Huli had discussed the subject for two hours, but with no result. The Washington government claims that it advanced to the Kerensky regime a loan $192,000,000, with accrued interest amounting to $144,000,000. Besides, the Washington government insists that the Soviet recognize the loan of $75,000,000 advanced to the Czarist regime by American banks during the World War, and the $400,000,000 debt for American company property in Russia, confiscated by the Red regime.

Walter Hasband, former Assistant Secretary of Labor, has been appointed a temporary adviser on immigration to the Department of Labor to handle special negotiations with Moscow. Mr. Hasband will proceed to Moscow to take up with the Soviet Union the deportation to Russia of 80 Soviet citizens. Some of those whom the U.S. government desires to deport have been found to have entered America illegally and in violation of the stringent immigration laws, while others are believed to include Communists connected with recent labor agitation.

Soviets Stated to Be Increasing Submarine Force at Vladivostock

Tha Soviets ate rushing their naval construction program, according to reports current in official Manchukuo circles. Moscow at present is concentrating its attention upon an attempt to increase the submarine force based on Vladivorstock, these reports claim. The Soviet plans call for a fleet of 52 under-sea craft operating out of Vladivostok and work on 30 submarines is being rushed, the reports said.

Millions of Bushels of Wheat Are Being Imported into Vladivorstock

Millions bushels of wheat, are being imported into Vladivostok a recent London dispatch stated, because of the large increase in Russian military manpower in Eastern Siberia as a result of tension between Japan and Russia. Large amounts of wheat were purchased during June from Argentina and Australia. The position of the Far Eastern Russian army 2,000 miles east of the nearest Russian wheat producing region, coupled with poor transportation facilities, made it cheaper to import wheat from abroad than to transport Russian wheat to Vladivostock.

Far Eastern Red Army Celebrates Fifth Anniversary

In connection with the fifth anniversary of the existence of the "Special Far-Eastern Army" a message of congratulation has been addressed by the Central Committee of the Communist party of the USSR to the Commander of the Army, Blucher, and to its entire personnel.

"The Central Committee is convinced," says the message, "that the glorious Far-Eastern Army whose invincible power had been already felt by our enemies, will remain also in future the invincible power bulwark of the Fat-Eastern frontiers of our Fatherland and of the peaceful labor of peoples of the USSR."

The Moscow newspapers also published an order of the People's Commissar of Defence, Voroshilov, who congratulated the Army on its anniversary, emphasizing the consistent and steadfast struggle of the Soviet Government for the cause of peace, and the fact that "we are strengthening our Red Army precisely because it constitutes a bulwark of peace for the whole world."

Military maneuvers along the Amur River and and in Trans-Baikal will shortly be held by the Soviet Army, according to a report from Changchun. It is stated that 150,000 picked Soviet troops and numerous air squadrons will participate in the maneuvers. Another report from Changchun declared that a giant airship with a capacity of 50,000 cubic metres of gas made a flying radius of 7,000 kilomtres is nearing completion for the Vladivostok air base. The authorities are paying keen attention to the Soviet military moves.

A recent report from Moscow stated that the Soviet Government is studying plans for the building of a bridge across the Behring Straits at its narrowest point (about 30 miles) from Siberia to Alaska. According to the report, the Soviet Government is conferring with the well known French Polar explorer and engineer, Dr. Charcot, who placed his plans for such a project before the French Academy of Science some time ago.

A scientific expedition has sailed from Vladivostok on the steamer *Smolensky*, to make a thorough study of the Chukotsk Sea, and especially of the De-Long Strait. The airplanes of the expedition will visit various islands.

Moscow to Spend Millions in Improvements

According to the approved plan for the third quarter of the current year, over 500 million roubles will be invested in the capital construction in Moscow industry, 26 million roubles in house building, 24 million for municipal undertakings, about 9 million for the construction of schools and libraries, 2½ million for health protection measures, and 55 million for the construction of the Moscow subway.

Group on Oriental Affairs Is Formed in Moscow

A special Pacific institute of Soviet exports on Far Eastern affairs is to be formed in Moscow under the chairmanship of Professor Motylew with the object of studying Oriental problems. The new organization, it is added, will accept the invitation to join the International Institute of Pacific Reletions which the latter has extended.

Mei Lan-fang, famous Chinese actor, has accepted an invitation from VOKS in Soviet Union for a theatrical tour in Russia. Accompanied by his troupe, Mr. Mei will leave China in the middle of next month for Vladivostok on his way Moscow.

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Slow Progress of C. E. R. Negotiations Angers Japanese

Japanese officialdom and newspaperdom are showing signs of considerable annoyance at the slow progress of the negotiations looking forward to the sale of the Chinese Eastern Railway. The *Nichi Nichi* August 4 stated that the long chapter of unfriendly acts committed by Soviet Russia against Japan will form the subject of a stern warning from the Japanese Foreign Office. The paper predicted that if the Soviet authoritics continue to indulge in their present policy, Japan will suspend all pending negotiations with Russia and take necessary measures to check the Russian activities. An important conference between officials of the Ministry of Foreign Affairs and the Ministry of War planned measures for a vigorous policy to be taken regards Russia.

The *Japan Chronicle* August 1 stated that the Soviets are not inclined to accept the suggestion made by Mr. Hirota, that they enter into direct negotiations with the Manchukuo Government. The gap between the Russian and Japanese ideas of price and conditions is still very wide, and consequently no hopes are entertained of solution in the near future.

In the meantime the Japanese (Manchukuo) governments and the Soviets continue to squabble over various border incidents. Each side blames the other for having spread fictitious reports; also each blames the other with "want of sincerity," "lack of faith," etc. A report circulated by the *Dempo Tsusin*, alleging that on the night of July 24 a military train carrying Red Army troops in the Far East was attacked and derailed by insurgents, which allegedly resulted in 150 Red soldiers being killed and wounded, was branded by the Soviets as fictitious.

Li Shih-pen, Manchukuo Commissioner of Foreign Affairs in Harbin, announced August 4 that he would refuse to negotiate with Russian consular representatives until they present him with a "more sincere reply" to his protest against the reported flying of Soviet aircraft over Manchukuo territory. Mr. Slavutsky's reply was a blanket denial of the charge that a Soviet airplane had flown over Suifenho, Soviet Manchukuo border town in Kirin province, on July 17 and had apparently taken photographs from the air.

Exasperated at the alleged "dilatory and insincere" attitude taken by the Soviet government towards the negotiations for the sale of the Chinese Eastern Railway, the Manchukuo government is said to be planning to recall its delegation to the discussions in Tokyo. Officials in Tokyo were said to be "seriously wondering whether the Soviets have any intentions to sell the line at all."

Japanese Arrest C. E. R. Employees So as to Disrupt Traffic

Twenty Soviet employees of the Chinese Eastern railway were recently arrested by Japanese gendarmes at Pogranichnaya and other stations. Fresh wholesale arrests of Soviet employees and workers of the railway are feared. It is believed by the Soviets that the arrests form a part of the general plan of disorganization of work of the eastern line of the C.E.R., which has been conducted recently with particular zeal by the Japanese and Whiteguardists.

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Russian Authors Absorbed in Eastern Politics

A Soviet Russian Authors Conference was held at Moscow last week. All problems discussed related in some way or other to the Far Eastern issue. A number of authors were of the opinion that the Soviet masses in a much greater degree than heretofore must be made acquainted with the East-Asiatic problem. The authors in their turn had to treat these problems in novelistic form. Japanese literature was cited as an example in its preference for bellicose themes. It also was agreed upon to create a whole series

of novels dealing with the Red Army "in order to organize the broad masses of the workers for the defense of the home of the proletarians.'

Japan and Russia Lead in Chemical Industries

Japan and the Soviet Union led the world in the development of national chemical industries during the year 1933, it is reported by the United States Department of Commerce. More capital was invested in construction and expansion of chemical manufacturing plants by Japan during 1933 than in any other industry, the Department of Commerce said, while that industry was given especial attention in the economic plans of Moscow leaders.

Adolf Hitler Succeeds Von Hindenburg as President of Germany

Chancellor Adolf Hitler succeeded to the office of President of Germany immediately upon the death of Field Marshal von Hindenburg Aug. 2. Hitler look up the duties of President following an urgent meeting of the German Cabinet which adopted a law combining the offices of Chancellor and President. Thus Hitler, whose assumption of the post of President is regarded as a violation of the German Constitution, automatically becames Commander-in-Chief of the German army of which he was, at one time, a corporal and took over the duties of Germany's greatest Field Marshal.

Saying that he wished the functions of Reichs President entrusted to him by the German Cabinet "in conformity with the Constitution" to receive the sanction of the German people, Herr Hitler Aug. 4 requested Dr. Frick, Minister of the Interior, to make arrangements for a free, but secret, plebiscite. It is believed certain that no rival candidate will be allowed to stand in the plebiscite, which has been announced for August 19. The German newspapers have been warned not to discuss the new law, for or against.

According to a provision in his will the late President was buried in the tower of the Tannenberg Memorial, which was converted into a crypt.

The Chinese press generally was eulogistic of the late President Hindenburg. The *Shun Pao* said he was the only real leader in modern Germany. The *China Times* said his death was not only a loss to Germany but to the whole world.

Dr. H. H. Kung, Minister of Finnace, sent a telegram of condolence to Col. Oscar von Hindenburg, son of the late German President.

Impressive memorial services were held for the late Field-Marshal in the German Church in Shanghai August 7, at which a large number of foreign and Chinese officials were present. Lieut.-Col. Kriebel delivered an address and Paster Krueger preached a memorial sermon.

Baptist World Congress Opens in Berlin

In the presence of more than 10,000 foreign and German delegates the fifth Baptist World Congress opened in Berlin, August 4. The Lord Mayor of Berlin, Dr. Sahm, delivered the welcoming address, in course of which he requested the foreign delegates to do their share in dissipating the errors, distrust and defamations which had been disseminated concerning new Germany.

Austria Continues Compaign Against Nazis

The purge of insurrectionary Nazi elements in Austria, which was carried by the new Chancellor, Dr, Kurt Schuschnigg, is proceeding with vigor. Austrian. Government agents are busy investigating all the circumstances connected with the revolt along lines indicating that the inquiry is not simply a judical matter but one of high politics, with the object of providing definite proof that the Third Reich had guilty knowledge of the whole affair. Those whose activities are likely to be severely punished are the rebels who actually participated in the putsch, responsible officials against whom the authorities have evidence of directy, and prominent public men who have been gravely compromised by the police investigation.

Soviets See Austria as Source of New European War

Moscow *Pravda* commented that the aggravation of imperialist contradictiors has transformed the country of Austria into a new Balkans of Europe—one of the sources of a new European war. The appointment of Schuschnigg and a number of other facts testify to the strengthening of those elements within the leading groups of Austrian bourgeoisie, who are striving to restore the throne of Habsburgs, which would create the danger of most serious complications in Southeastern Europe, in the opinion of *Pravda*.

In an interview in the Paris *Petit Journal* August 7 Lloyd George, noted British Liberal leader, said "I am willing to guarantee that the nations need not fear another major war for 10 years." He said that there was no question that Germany was not able to make war at present. It was true that the psychological conditions necessary for war were present, but material facts must also be taken into consideration. "I was the head of the British Government during the Great War, and I know how such war has to be conducted," Lloyd George said, adding that, by letting Japan do as she liked in Manchuria, "we encouraged German militarism."

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Yung Chung-ching Mills Granted Tax Abatement

To facilitate the rehabilitation of the cotton and flour mills of Yang Chung-ching, the industrial magnate, the Ministry of Finance has decided to allow credit to the mills in the payment of the Consolidated Tax, amounting to about $8 millions annually. Dr. Chu Min-i, Secretary-General of the Executive Yuan, in an interview, said that the Government is determined to give every assistance to the mills. Meanwhile, the Wusih Cotton Mill-owners Association has despatched a petition to the Executive Yuan registering strong opposition to the alleged intention of the Government to take over Mr. Yung's mills. Instead of adopting measures for their rehabilitation, the Government is trying to "readjust" and take over the mills at a low figures, it is charged.

A Criticism of the National Budget

The *China Times* comments:—"According to Nanking dispatches the new budget of the Government has fixed the national expenditure at $777,302,226, and revenue also comes up to that amount. Naturally it is gratifying to note at this time of national economic crisis that the Government can still manage to make both ends meet. But after careful study the new budget still leaves much to be desired. Most of China's state revenues come from indirect taxation. The Consolidated Tax, the Customs Tariff and the Salt Tax, occupy 90 per cent of China's total revenue. As a result the burdeu of the public is not at all equal. In this year's budget the increase imposed by the customs tariff is $5,000,000, that on Salt Tax $44,000,000, and that on Consolidated Tax $20,000,000. The total increase in state revenues is estimated at $70,000,000. All this increase falls on the consumer. It naturally affects the daily livelihood of the general public and makes their burden heavier than usual. Besides, the way in which the revenues are to be spent, is by no means logical. In the new budget the ordinary military expenditure for the current fiscal year is fixed at $310,000,000 and the sum set aside for meeting foreign and domestic loan obligations is $260,000,000. The two combined make a total sum of $570,000,000."

Canton-Hankow Railway to Operate During 1936

The Canton-Hankow Railway is expected to be completed and through traffic between the Southern capital and the Yangtze port to commence before the end of 1936. After an inspection tour, the Director of the Shinkwan-Chuchow section of the line announced last week that much progress is being made in the unifinished sections of the Railway, over 30,000 men being now engaged in the building of the line at various points.

Construction of the Chientang River railway bridge on the Hangchow-Ningpo Railway is scheduled to start early this winter. The work will require a total sum of $5,500,000, which will be financed by the National Economic Council, the Sino-British Boxer Fund Commission and several Shanghai banks.

Loans Being Negotiated to Construct Railway Godowns

The Shanghai-Nanking-Hangchow Railway Administration is now negotiating with the Chinese banks for a loan of $15,000,000 for the construction of godowns along the two railways. The godowns contemplated will be constructed at Hsiakwan in Nanking, Chinkiang, Changchow, Wusih, Soochow, Shanghai North Station, Woosung, Chakou and Tsaoao River Station.

General Liu Hsiang, Commander-in-Chief of the Szechuen troops and actual ruler of Szechuen, has signed a contract with a French firm for the construction of a railway between Chungking and Chengtu in Szechuen.

Construction work on the Kian-Kanchow section (in southwestern Kiangsi) of the Kiangsi-Kwangtung Inter-Provincial Highway has been completed.

The National Sericultural Improvement Society has decided to establish 65 Sericultural Guidance Bureaus in Kiangsu, Chekiang, Anhwei and Shantung this autumn.

The Sericultural Improvement Society, which has been invited to join the International Rayon Institute in New York, has cabled to the Chinese Consulate-General in New York to send a representative to attend the forthcoming meeting of the Institute and to report by cable on the precedings of the conference.

Central Bank of China to Increase Capital

Arrangements have been made for the expansion of the Central Bank of China, and $60,000,000 has been appropriated by the Finance Ministry to increase the capital of the said bank. The first expansion to be made will be establishment of three branch banks at Dairen, Sianfu and Chinghai. All three branches are expected to be inaugurated within six months.

A national conference for the discussion of relief measures for the coal industry in China is scheduled to be convened end of this month at Nanking.

The Ministry of Industry has invited the National Coal Relief Committee in Shanghai to send representatives to participate in a conference to be held in Nanking to study measures to check the dumping of Japanese coal in China. The Kiangsi Provincial Government, has called upon the people to work three days each year for the state.

The National Economic Council is preparing to embark on a large scale cattle and sheep raising enterprise in the Northwest. The Council has selected an area of 1,000 mow in Kansu and appropriated $400,000 for said purpose.

The Kwangtung Provincial Department of Reconstruction besidee appointing a number of technical men to direct operations in ths Sugar Refinery of the Canton Section, has set aside 3$00,000 to be lent to farmers for carrying out the work of sugar cane planting.

The Hupeh Provincial Government has decided to appropriate for relief work the sum of $500,000 originally set aside for the construction of a new building for the Provincial Government.

Accompanied by six technical experts, Chang Yuan-shan, member of the North China Rural Cooperative Committee, is making a tour of Shensi to assist in rural rehabilitation work in said province.

The Shensi Provincial Government has approved the plan of its Provincial Department of Reconstruction for the building of a highway to connect Sian city with Tsoshui, Chen-an and Ankang, in southeastern Shensi and another road from Shanghsien past Ankang to link up with the Sian-Chingtsukwan and Hanyin-Paiho Highways. Survey work is to be started soon.

Shen Pao-hsien, Commissioner of Reconstruction of the Kiangsu Provincial Government, during a recent trip to Shanghai succeeded in arranging a loan of $300,000 from the Chinese banks and the leading merchants to finance the construction of the Shanghai Wuhsi and Soochow-Kashing highways.

The second annual meeting of the Board of Trustees of the Chungyuan Mining Company was held at Kaifeng, August 6. Messrs. Wang Hsiao-hsu and Wei Hsi-tien were elected Chairman and Vice-Chairman of the Board with Messrs. Chang Chi-ming, Tu Yu-mei and Ho Shu-san as members of the Standing Committee of the Board.

The petition of the Hunan-Hupeh section of the Canton-Hankow Railway Administration to extend for another 6 months the period for enforcement of the reduced freight rates on rice has been approved by the Ministry of Railways. The step is taken to help the rice market in Hunan and the refugees in the drought stricken districts of Hupeh.

The Kiangsu Provincial Government is now making preparations to float a new $30,000,000 loan for conservancy work on the Huai River as well as to develop a good irrigation system in the province.

⁂

North China Raw Cotton Association to Be Formed

The North China Raw Cotton Association is to be inaugurated by Japanese, Chinese, and "Manchurians" as soon as order is restored in north China. According to Japanese advices, Huang Fu, Yin Tung, managing director of the Peiping-Mukden Railway, and Gen. Han Fu-chu, Chairman of Shantung Province, are to join the association as Chinese representatives, while the Oriental Industrial Association will represent Japan and Manchukuo. The purposes of the organization are investment in cotton cultivation in Chihli and Shantung, the supply of agricultural equipment, technical guidance of cultivation, the finding of markets for the production, and financial support of cotton producers.

⁂

Delegate at Geneva Stresses Need of Better Labor Conditions in China

China is sadly in need of improvements in provisions for the welfare of factory laborers, An Fu-ting, one of the delegates to the International Labor Conference in Geneva, stated on his return to Shanghai this week. Li Ping-heng, head of the delegation, and Mr. An proceeded to Nanking to make a report on the conference. Mr. An said that he was deeply impressed with the strides made by European countries in provisions for the welfare of the factory workers with a view to efficiency.

In anticipation of settling the question of factory inspection with the municipal authorities of the International Settlement and the French Concession, the Bureau of Social Affairs of the Shanghai City Government, it is understood, has applied to the City Government for permission to send a special officer to undergo training in a well-known boiler factory and to study factory conditions in other foreign countries. This officer will sail at the end of this month after the approval of the City Government has been obtained.

France and England Collaborate to Maintain Peace in Europe

The Paris correspondent of the *Chekiai Agency* recently summed up the European political situation. He said it would be an error to doubt that the entire set-up European politics has been altered by Barthou's visits to foreign capitals. While it would be similarly wrong to believe that the meeting of Barthou with Sir John Simon and Stanley Baldwin has revived the Entente Cordial in the form of a real Anglo-French alliance, the fact remains that once more France and England are closely collaborating for the peace of Europe and that their policy is based upon the strengthening of the League of Nations, the necessity of bringing Soviet Russia to Geneva and the reopening, as soon possible, of the work of the Disarmament Conference.

France may not participate in the coming 1935 naval disarmament conference it was hinted by Naotake Sato, Japanese Ambassador to Paris, on his return to Japan Aug. 1 from his post, on furlough. France's attitude towards next year's conference probably will be dictated by developments in her foreign relations, Ambassador said.

The opinion expressed by Claude Swanson, United States Secretary of the Navy, last week, that he favored a reduction of 20 per cent in naval armaments, has aroused the strongest opposition in Japanese naval circles. Japanese navy circles in reply pointed out that while such a reduction might not affect the United States, which possesses a large number of obsolete craft, it would be a heavy blow to Japan which would be forced to abandon comparatively new warships. Tokyo naval circles are also definitely opposed to the retention of the present 5-5-3 ratio which, if insisted upon at the forthcoming naval conference, might defeat the objects of the parleys which aim at the reduction of the menace of war and hope to contribute towards world peace.

The Soviet press published a series of articles reviewing the outrage at Sarajevo which started the great War 20 years ago, and its consequences up to the present day M. Bucharin, editor of *Izvestia*, wrote; "Since this day, much blood has been spilt. The flower of youth was led to the slaughterer Mars, a gigantic process of destruction has shaken the world to its foundations. And yet, the world has profited nothing by it. Again it is standing on the brink of sorrow, misery and collapse. The conflicts in the economic sphere are increasing.

U.S. War Department Seeks Increase in Army Strength

The U.S. War Department has launched a large-scale campaign to increase the regular fighting forces of the United States. From the present total of 118,000 enlisted men, the regular army is to be increased to 168,000 men, it is stated, while the present force of 12,000 officers is to be raised to 14,000. To effect this increase, an additional appropriation of U.S. $35,000,000 will be requested of Congress during its next session.

Chinese Cruiser to Be Built at Kobe

A contract is reported to have been signed by the Kiangnan Arsenal at Shanghai and the Harima Dockyard at Kobe, for the construction by the latter of a light cruiser for China. The Siamese Government, it may be recalled, ordered some time ago a torpedo boat from the Kawasaki Dockyard.

Japanese-Netherlands Indies Trade Discussions Are Deadlocked

Seeking a way out of the impasse in the trade negotiations in progress at Batavia between the Japanese and Netherlands East Indian authorities Dr. Harukazu Nagaoka, chief Japanese delegate, called on Dr. Ranneft, head of the Dutch delegation, August 6. The deadlock was precipitated July 25 when the Dutch authorities declared a virtual embargo against Japanese ceramics on the ground that Japanese china merchants were seeking to monopolize the East Indian market. Strict secrecy was maintained by both delegations regarding the nature of the discussions.

Preparations for the establishment of an export guild to control all Japanese cotton textile exports to the Netherlands Indies are in progress at Osaka.

Japan will be able to export 400,000,000 yards of cotton textiles to India this year the Japanese Foreign Office announced Aug. 2 upon receipt of a report from Tetsui hiro Miyake, Japanese consul-general at Calcutta. The 400 million yard figure is the limit set for Japanese cotton textile imports under the terms of the new Indo-Japanese commercial convention.

China Ratifies Labor Agreements at Geneva

The 1925 agreement on the equality of treatment to be accorded foreign and Chinese laborers, in the matter of compensation in the event of accidents occurring during work, was ratified by China, the International Labor Office at Geneva was informed July 27. China has also ratified the 1921 agreement on the rights of agricultural workers' unions and that of the same year applying to weekly working hours of industrial labor.

Those Distressing Headaches.

What to do for them.

There are few complaints more distressing than persistent headaches for they soon lower the vitality and sap the energy and strength of the sufferer. The outcome of nerve weakness, the result of the blood being in an impoverished condition, the best remedy for headaches and the only permanent one lies in the use of a reliable blood and nerve tonic.

Such a tonic is Dr. Williams' Pink Pills, renowned for over fifty years on account of their unique ability to create new, rich, red blood, thereby strengthening and toning up the whole nervous system.

If you are a victim to headaches, do not despair. Begin a course of Dr. Williams' Pink Pills to-day and you will feel the benefit after the first few doses. Headaches will become less frequent and if you continue the treatment for a short while they will soon be a thing of the past.

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Dr. WILLIAMS' PINK PILLS.

In the United States Court for China

In re.	Cause No. 3698
Last Will & Testament of THOMAS COTTON BRITTON, JR., Deceased	Special Proceedings No.982 NOTICE Filed at Shanghai, China, July 26, 1934. William T. Collins, Clerk.

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of THOMAS COTTON BRITTON, JR., deceased, to present the same with vouchers to the undersigned on or before February 4, 1935, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

RAVEN TRUST COMPANY,

Shanghai, China.

Chicago Stockyards Strike Comes to an End

The Chicago Stock Yards strike came to an end August 6, through the mediation of General Hugh S. Johnson.

Rainstorms caused huge damage in Pennsylvania and New Jersey August 4, following in the wake of one of the most disastrous heat waves in the United States.

President Rooselt in a broadcast speech from Glacier Park, Montana August 5, indicated that it is the intention of the Administration to foster industrial development in the west, which heretofore has been too dependent upon agriculture, and content to buy its manufactured articles from placts in the east, where farming has been neglected.

May wheat reached 114 at Chicago August 7; corn soared to 83 cents, the highest price in four years.

The strike situation at Minneapolis eased very much following a raid by militia upon the headquarters of the Truckers' Union. While guardsmen in armored trucks trained machine-guns upon the entrances to the building, others entered. Encountering no resistance, the militiamen arrested approximately 150 men and lodged them in jail.

The New York *Herald-Tribune* recently stated that the American government is preparing to buy up supplies of metals such as antimony, tin, tungsten, nickel, manganese, etc., indispensable in the manufacture of war material, all of which America produces only in small quantities and at a high cost.

An American Appeals to Roosevelt on Passport Difficulties

President Roosevelt received a letter recently from Kuldja, near the Soviet-Sinkiang border, written by an American, Edward Stevenson Murray, formerly teacher at Robert College at Istanbul, saying that be was unable to make a proposed trip to India through Soviet and Persian territory, as the Soviet authorities and Persian authorities each stated that they would not vise his passport until the other did so first. The U. S. Government asked the Soviet Foreign Office to look into the matter.

"Silver Shirts" Activities Being Investigated

Charles Kramer, Representative from California, investigating the activities of the Nazi-like "Silver Shirts," at Los Angeles on August 7 ordered that the future hearings should be closed. "The dangerous international character of the evidence" was given by Mr. Kramer as the reason for his institution of "star chamber" proceedings. Witnesses testified that the "Silver Shirts" had as one of their purposes the overthrow of the Government of the United States and the seizure of power under a dictatorship.

Drought Causes More Than One Billion Dollars Damage

According to the Federal Relief Administration twenty-six million people are victims of drought in the United States. Four hundred thousand families are now receiving Federal relief in 24 of the United States. Millions of cattle have died and the loss is expected to reach the enormous sum of $1,500,000,000. Mr. Westbrook, Asst. Federal Relief Administrator, told President Roosevelt that damages caused by the drought had increased fourfold since Congress had adjourned during the middle of June. Over 60 per cent of the agricultural sections of the country are now officially tabulated as being acutely stricken by the drought. The Federal authorities are of the opinion that at least 10 per cent of the families affected by the drought will have to migrate to more fertile regions of the United States in order that they have a chance to regain economic independence. It is estimated that between seven and ten million head of cattle will have to be killed in the drought-stricken areas.

Senate Committee Report Shows How Bankers Foisted Foreign Issues on U. S. Public

The Senate Banking and Currency Committee August 5 made public its report on boom-time operations of American investment bankers, terming the period between 1923 and 1930 "one of the most scandalous chapters in the history of American banking." The colossal losses suffered by American investors manifests clearly that the bankers who floated these billions of securities were either incompetent or derelict in their duty, the report said.

Bankers of the United States were accused by the senatorial probers of having ignored the bad debt records of numerous countries; with having waved aside knowledge that some of the nations and corporations whose securities they unloaded upon the public were bad moral risks. Regardless of the fact that billions of dollars were involved, the report asserted, the underwriters of these foreign securities in many cases did not even bother to check the information supplied them as to the security behind huge offerings of bonds on which the floaters received fat commissions. Between 1923 and 1930, the report showed, the American public was sold foreign bonds of a face value of U.S.$6,293,000,000. On March 1, 1934, the total holdings of foreign bonds by United States investors amounted to U.S.$7,080,000,000, of which U.S.1,900,000,000 was on that date in default.

Drought Causes Damage of Two Hundred Million Dollars

Latest statistics compiled by the Central Agricultural Experimental Station of the Ministry of Industry indicate that a total of 11 Provinces and 129 districts north and south of the Yangtsze River have been affected by drought. The damage done to crops and property is estimated at no less than $200 millions.

The Drought Relief Commission of the Hupeh Provincial Government held its first meeting Aug. 4, in the office of the Commissioner of Civil Affairs in Hankow and heard reports on the extent of drought in the interior districts. In reporting on the gravity of the calamities in Hupeh, Meng Kwang-peng, Commissioner of Affairs, stated that at least 40 districts are stricken by drought and 4 districts by flood due to the overflow of the Han River. In most of the drought-stricken districts, including Huangmei, Hsiaokan, Ouchen, Wuchang, Macheng, where the distress is most serious, as there had been no rain for 40 or 50 days. There is no hope of saving the rice crop even if rain should fall now, he said.

Plans for combatting the drought situation, through labor-relief and rural reconstruction, submitted jointly by the Provincial Governments of Nanking and Greater Shanghai, were discussed at the Executive Yuan July 31. Recommendations made by the Ministry of Finance with reference to rural reconstruction relating principally to water consurancy, were approved.

The prolonged drought and the serious locust pest have affected over 200,000 people in the district of Huangmei, southeastern Hupeh. Some of the inhabitants are abandoning their desolate farmland to find a living in other districts; many cases of suicide are reported.

The recent flood and drought in Hupeh combined have caused great suffrings to the people in Hupeh. The Provincial Government has decided to establish a special bureau to provide relief.

The magistrate of Jenchin, Honan province, on the request of the drought-stricken populace, placed the dragon god on a special altar and led prayers for rain for more than a week. As no rain fell the magistrate ordered the dragon god's head cut off. The assembled crowds then went hone.

General Liu Chen-hua, Chairman of the Anhwei Provincial Government, and other provincial officials, after a tour of inspection of the drought afflicted areas, are now taking special steps to aid the people. The Hunan Provincial Government, besides remitting $20,000 for the purchase of water pumps to be installed on the shores of the lakes, has again appealed to the Central authorities for relief funds.

Thousands of dwelling houses collapsed as Antse, western Hupeh, as a result of the unexpected rise of the Yungting River.

Despite the typhoon along the China coast, the heat wave in the Nanking-Shanghai area during the month of July was unprecedented in the last 28 years, according to an official report of the Central Observatory. The maximum temperature in Nanking was 109.4 degrees Fahrenheit on July 13.

As a result of the overflow of the Wei Shan Hu (Lake), in northwestern Kiangsu, caused by the surplus flood water from the Nanyang Hu, in southern Shantung, a tract of more than 9,000 chings of farm land in northern Kiangsu is under water. The damage done is estimated to exceed a million dollars.

More than 20 villages in the district of Paoti, in northeastern Hopei, are inundated as a result of the collapse of a portion of the dykes of the Sayun Ho (River).

The Chekiang Provincial Government is carrying on extensive pumping operations, water being taken from the Chientang river and West Lake, with equipment recently purchased in Shanghai.

The farmland in over 10 districts of south-eastern Honan, including Junan and Linying, on the Peiping-Hankow Railway, was inundated in consequence of the simultaneous rise of the Li, Ying, Chi and Cho Ho (Rivers).

Traffic on the Peiping-Paotow section of the Peiping-Suiyuan Railway, which was recently disrupted by flood, was restored Aug. 3.

One person was killed, forty were injured and three boats were overturned in a heavy hailstorm which swept over Shaopo District, a city in northern Kiangsi, on the night of July 30.

A National River Conservancy Board will shortly be established at Nanking under the auspices of the National Economic Council.

Chinese Bankers Oppose Nanking Ruling on Deposits

The Chinese Bankers' Association has submitted another petition to the Ministry of Finance concerning Article 9 in the newly promulgated law governing savings banks in this country which requires all savings banks in China to invest one-fourth of their total deposits in government bonds, treasury notes and other substantially secure assets. The Chinese bankers decided not to observe the new ruling pending a definite settlement of the issue with the Ministry of Finance and the Legislative Yuan.

Who's Who in China

李 範 一
Li Fan-yi

Li Fan-yi, Government official; born at Yincheng, Hupeh, 1890; graduate of Columbia University; Director of the Communications Department of the Headquarters of the Commander-in-Chief of the Nationalist Revolutionary Army, Navy and Air Force; President of the National Chiaotung University; President of the School of Army Communication attached to the Military Affairs Commission; Director of the Radio Administration and of the Radio Manufactory of the National Reconstruction Commission; Commissioner of Reconstructon of the Anhwei Provincial Government; Commissioner of Education of the Shensi Provincial Goverment; Director of the Department of Telegraphic Administration of the Ministry of Communications; now, Commissioner of Reconstruction of the Hupeh Provincial Government; address: Department of Reconstruction, Hupeh Provincial Government, Wuchang.

李範一，湖北省應城縣人，現年四十四歲，由美國哥倫比亞大學畢業，歷任國民革命軍陸海空軍總司令部交通處處長，國立交通大學校校長，國民政府軍事委員會交通技術學校校長，國民政府建設委員會無綫電管理處處長，無綫電機製造廠廠長，安徽省建設廳廳長，陝西省教育廳廳長，交通部電政司司長，現任湖北省建設廳廳長。

British and Japanese Bluejackets Involved in Brawl at Shanhaikwan

Japanese official cources at Peiping August 5 branded as "absolutely groundless" reports carried by a Chinese news agency and reprinted by severeal vernacular newspapers purporting that two British soldiers had been injured near Shanhaikwan when hit by stray bullets from a Japanese machine gun. Telegrams from other sources however established the fact that a serious quarrel between British and Japanese bluejackets occurred at Shanhaikwan several days previously, with the result that six Japanese warships proceeded to Chinwangtao, where five British war vessels were already anchored. Japanese and British officers on the scene ordered the men from both sides confined to their ships.

Chinese Version of Anglo-Japanese Incident at Shanhaikwan

A Peiping dispatch to the *Sin Wan Pao* Aug. 5 stated that in spite of official denials from both the Japanese and British Legations at Peiping reports from Shanhaikuan persist that a British soldier was killed by a stray bullet from the Japanese camp. These reports state that on the afternoon of August 2 the Japanese troops at Nanhai near Shanhaikuan held machine-gun practice. While doing so a British soldier who happened to be near by, was shot by a stray bullet and he later died of his wounds. It is alleged that eventually through the efforts of the Chinese, Italian and French mediators the Japanese agreed to apologize for the incident and to pay compensation to the family of the dead British soldier. The Japanese, however, refused to consider the British request for the punishment of the guilty soldier on the ground that since the target practice was a collective movement it was impossible to ascertain who fired the fatal shot.

With regard to the reported dispute between the British and Japanese troops at Shanhaikwan a spokesman of the Chinese Government declared August 6 at Nanking that the Government had not received any official report regarding the matter from the North. The spokesman also denied that Chinese local authorities had mediated in the matter.

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Who's Who in China

(with Supplement)

The standard edition of *Who's Who in China*, published in 1931, has now been brought up to date through the publication of a 200-page supplement. The two books contain the pictures and biographical sketches of the leading men and women of affairs, in government service, business and the professions.

It's the only work of the kind in the English language, is fully indexed in both English and Chinese and most of the sketches contain the latest addresses in addition to information pertaining to date and place of birth, education, careers, etc.

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The China Weekly Review

160 Avenue Edward VII
Shanghai.

Men and Events

Captain James Lannon, U. S, N., arrived here from Hongkong during the week for duty at the Shanghai station.

Roy G. Allman, member of the law firm of Allman and Company, departed last week on a business trip to Manchuria.

Eward Anderson, U. S. Vice-Consul at Singapore, passed through Shanghai during the week on his way to the United States on home leave.

Lieut. James M. McHugh, chief of the Intelligence department, U. S. Marine Corps, departed last week for Dairen and Port Arthur on a short vacation.

Hajime Iogi arrived in Nanking this week to succeed Mr. Kuramoto, Japanese Vice Consul at Nanking, whose "disappearance" caused an "incident" about two months ago.

Mr. and Mrs. Bruce Jenkins and daughter Rose are spending a month's vacation in Japan. Mr. Jenkins is Secretary and Manager of the American Asiatic Underwriters.

Miss Helen Wiley, a graduate of the University of New Mexico, recently arrived in Shanghai to become the secretary of Judge Helmick of the U. S. Court for China.

Quo Tai-chi, the Chinese Minister to Great Britain, entered a nursing-home in London Aug. 2 for a slight operation, which will keep him away from his office for about ten days.

Miss Yang Hsiu-chung, known as "Miss China" at the recent Far Eastern Olympic Games at Manila and who won all swimming events for girls in the meet near Shanghai Aug. 5.

A daughter was born to Mr. and Mrs. Glenn Babb at Karuizawa July 31. Mr. Babb is Tokyo correspondent for the *Associated Press* and was formerly stationed in Shanghai and Peiping.

Fred L. Robbins departed last week from Shanghai on an extended tour of Soerabaia, Batavia, Africa, South America and the United States. He will be absent from Shanghai for at least half a year.

Sentence of death has been passed by the Tientsin Chinese authorities on the five men responsible for the murder of Dr. J. H. Ingram of the American Board Mission at Shihchingshan last June.

The centenary of Dr. Morrison, pioneer British missionary to China and the first Protestant missionary worker to Canton, was observed in Canton Aug. 4 under the joint auspices of missionary societies in said city.

O. G. Steen, in charge of the Robert Dollar Company's interests in the Far East, accompanied by his wife and two children, are due to arrive here on the s.s. *President Taft*, August 17, after nearly a year's absence in the United States.

General Hsiung Shin-hui, Chairman of the Kiangsi Provincial Government, and Miss Ku Pai-chun of Chekiang were married at Kuling Aug. 1. General Chang Chih-chung, Dean of the Central Military Academy, acted as the intermediary.

Chung Kun-chang, a 35-years-old Chinese student, who had been studying geography at Liverpool University, disappeared from his lodgings at Liverpool ten days after taking his M.A. degree and proceeded to London. The next day he committed suicide.

French warships in China waters are holding their annual review off the Chekiang coast. The review started August 6 and will continue for ten days. The French Consul-General in Shanghai formally notified the Chekiang Provincial Government of the event.

Yu Pao-Chien, the winner of the swimming contest across the Ch'entang river at Hangchow Aug. 6, is to be married shortly to Miss Mary Chen, the latter having made it a condition for accepting his proposal that he must come in first in the race.

More than 10 workers in one of the Kailan Mines at Machiakow, near the mining center of Tangshan, were overcome by poisonous fumes emitting from a shaft August 6. The men were immediately rushed to hospital, but one of them died soon after, never recovering consciousness.

Recent messages from Europe predicted that France will shortly have to abandon the gold standard. Many factories and hotels in France have recently been compelled to close because, owing to the high rate of the franc, they have not been able to attract customers.

Dr. Edward H. Hume, Dr. Julius Tandler, Dr. Stephen H. T. Chang and Dr. Tso-chin Chu have been invited to join the faculty of the National Medical College of Shanghai. Dr. Hume was for many years President of Yale-in-China College. Dr. Chu is a Johns Hopkins graduate.

The *Shanghai Mainichi* states that Akira Ariyoshi, Japanese Minister to China, plans to resign next month.

H. O, White, of White, White & Co., Shanghai, has been elected a member of the New York Cotton Exchange.

Luebbert's Pharmacy in Shanghai was sold as a going concern under orders of the U. S. Court for China Aug. 8. The purchaser was the Finance Banking Corporation, the principal creditor. The business will be continued.

The merchants in Peiping are demanding the immediate abolition of all irregular taxes in the city in accordance with the resolution of the recent National Finance Conference in Nanking. The General Chamber of Commerce has declared that unless the Peiping authorities abolish irregular taxes at once a general strike will be declared.

Lieut. Evans F. Carlsen, formerly Intelligence Officer with the U. S. Marine Corps at Shanghai, but now stationed in Peiping, has been promoted to the rank of Captain, according to instructions received from Washington last week. Other officers promoted included Major W. B. Sullivan to Lt.-Colonel, and Capt. W. A. Worton to the rank of Major.

The Shanghai Municipal Council has compromised the matter of ricsha control by increasing the rental charge for ricshas to 78 cents (big money) per day devoted to the Pullers Mutual Aid Association. The owners must pay in advance $1.50 per month to the Aid Association fund. The licensing of ricsha pullers has been temporarily abandoned.

Lou Seu-chen, a Cantonese, who after having been arrested by settlement police, confessed to having murdered an Italian sailor named Micros during a brawl outside a bar in North Szechuen road July 14, was handed over to the Public Safety Bureau by order of the First District Court Aug. 1. Six other Cantonese participants in the affair were also handed over.

The scientific observations of Father R. P. Lejay, director of Siccawei Observatory, were read before the Academy of Science in Paris August 2. Father Lejay returned to Shanghai last week aboard the *Haishing*, Chinese maritime customs cruiser, from South China, where during the course of his trip, he established 40 new gravimetrical stations along the southern coast of China.

A report from Nanchang, provincial capital of Kiangsi, states that as a step to help the great mass of poor farmers to get on their feet again and resume land cultivation in the recovered districts from the Communists in southern Kiangsi, General Chiang Kai-shek's Provisional Headquarters at Nanchang has issued an order to the effect that national troops of the various route armies engaged in bandit suppression in that province should lead in the farm restoration movement.

Two Chinese citizens of Canada, Charles Chin Kun Baw of Montreal, who is a director and secretary-treasurer of the Montreal Chinese Association and president of the Sun Kun Wo Company, and Gordon Yen, also of Montreal, who is president of the Montreal Chinese Association and president of the Sang Yen Company, are directors of the newly formed Novarado Gold Mining Corporation Ltd. in Toronto, Canada. The advisory board, fourteen in number, includes eight Chinese, who are in business in Victoria, Vancouver, New York, Boston, San Francisco, Chicago and Montreal.

Postal Administration Conference to Be Held September 1

The Ministry of Communications has fixed September 1 as the date for the holding of the National Postal Administration Conference, and September 10 for the National Telegraph Administration Conference. The Provincial Governments have been instructed to dispatch delegates and send in recommendations and suggestions. The petition of the Postal Workers' Union for participation in the forthcoming Postal Administration Conference has been turned down by the Ministry of Communications. As the conference will be confined only to the administrative staffs, no representative of the Postal Workers' Union will be allowed to attend. The Union, however, may submit recommendations to the conference, the Ministry's ruling states.

Hongkong May Cease to Be Free Port

A recent dispatch to the Tokyo *Nichi Nichi* from Shanghai said that foreign traders there are keenly interested in a report that the British Government is preparing to abolish the free port system at Hongkong in favor of an import tariff similar to that enforced elsewhere in the British dominions. The British Government is considering the step because British trade with China has fallen behind that of the United States and Japan and because she feels the need of checking the advance of Japanese goods into Southern China.

Opium Suppression Work Taken Over by Military Authorities

Opium-suppression in Chekiang province is being placed under the direction of the Opium-suppression Superintendent Office attached to the Nanchang Provisional Headquarters of the President of the Military Affairs Commission.

In reply to an inquiry from the Shanghai City Chamber of Commerce regarding responsibility for the transportation of opium and other narcotics, General Chiang Kai-shek, President of the Military Affairs Commission, stated that extreme caution must be exercised by transportation agencies regarding the handling of contraband. In suspicious cases, General Chiang stated, the transportation agencies may either refuse to handle the suspicious cargo or demand an inspection thereof.

Six alleged drug manufacturers, including a woman, were arrested and 100 sacks of "red pills," made of morphine and other drug derivatives and used as substitutes for opium, were seized in two raids carried out by the Public Safety Bureau with the assistance of International Settlement police last week. The arrested persons are being detained at the Nantao headquarters. It is understood that under the recent anti-drug regulations promulgated from Nanchang, they must face a military tribunal.

Turkey Is Praised in United States for Curbing Narcotics

Messages from the President of the Turkish Republic and Secretary of State Hull were read at the celebration in New York July 9 of the first anniversary of the Geneva convention restricting the manufacture of narcotics. In commemoration a luncheon was held by the World Narcotic Defense Association at the Waldorf-Astoria. Mehmet Munir Bey, Turkish Ambassador to America, was the guest of honor. In a letter addressed to Rear Admiral Richmond Pearson Hobson, retired, president of the association, President Kemal reviewed the Turkish program. He told how the Grand National Assembly approved at one time the recommendations of not only the 1931 Geneva treaty, which became operative last year, but of the 1925 Geneva convention and The Hague convention of 1912. He said these regulations now were being enforced despite the economic hardship to former poppy growers, who are being aided by the government to substitute sugar cultivation. President Kemal described also how narcotics for legitimate needs had been made a government monopooly in Turkey and suggested that "the adoption of the same system in other countries would be desirable on account of its efficiency in the fight against narcotics." He praised the services of the United States in the war on the illicit narcotic traffic and closed with a tribute to the work of the World Narcotic Defense Association.

Secretary of State Hull in a message said the ratification of the 1931 Geneva convention by Turkey on April 3, 1933, "was noted with gratification by all of the nations of the world as evidencing the desire and intention of that nation to align itself with the international effort to prevent the abuse of narcotic drugs.

Minister Sze Speaks on Importance of Family Tie at Son's Wedding

On the occasion of the marriage of his son Sze-ming Sze to Miss Li Yao-ching in London July 4, Sao-ke Alfred Sze, Chinese Minister to the United States, made a short speech in which he explained the importance of the family in the Chinese national system. He emphasized the precepts of Chu Po Lu, which may be summed up in the words of diligence, frugality, sincerity and reverence. Mr. Sze added that he was honored by having Minister Quo Tai-chi present as the principal witness.

American Mail Line Steamers Resume Sailings

The American Mail Line announces that its vessels are again in service, after the temporary disruption of schedule on the Pacific Coast owing to the strike. The *President Grant*, *President Jefferson*, *President Jackson*, and *President McKinley*, will maintain fortnightly sailings from Manila, Hongkong, Shanghai, Kobe, Yokohama to Victoria and Seattle. The *Grant* arrived in Shanghai from Seattle August 7, and proceeded to Manila. On the homeward voyage the *Grant* is due to depart from Shanghai Aug. 2, arriving in Seattle Sept. 4.

Chinese Electricity Company to Supply Current to Outside Roads

The text of an agreement regarding the establishment of a Chinese electric power company to take over the services for the extra-Settlement Road area in the Western district is under consideration by the Shanghai Power Company and the Bureau of Public Utilities of the Shanghai City Government, according to a spokesman of the bureau . It is expected that construction will commence immediately after the signing of the agreement, and the new company will be ready for work by the end of this year.

In the United States Court for China

In re. Last Will & Testament of MABEL SHENGLE Deceased	Cause No. 3716 Special Proceedings No. 987 NOTICE Filed July 26, 1934. William T. Collins, Clerk. by L. T. Kenake, Asst. clerk.

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of Mabel Shengle, deceased, to present the same with vouchers to the undersigned on or before February 4th, 1935, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

GORDON C. NAZER,
c/o Union Insurance Co. of Canton,
26 The Bund.

Shanghai, China,
July 26, 1934.

In the United States Court for China

In re. Estate of ELMER FLOYD COULSTON Deceased	Cause No. 3719 Special Proceedings No. 988 NOTICE Filed at Shanghai, August 2, 1934. William T. Collins, Clerk.

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of ELMER FLOYD COULSTON, deceased, to present the same with vouchers to the undersigned on or before February 11th, 1935, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

LEATHA COULSTON,
Administratrix,
c/o The Shanghai Sanitarium,
150 Rubicom Road,
Shanghai, China.

Shanghai, China.
August 2, 1934.

Now On Sale

China Year Book 1934

The China Year Book should be immediately accessible to the staff of every office in China. Its 850 pages cover the whole field of political, financial and commercial activities in easy reference form, and makes its absence a definite handicap as much to the small trader as to the diplomat. Very little of the contents of this edition has appeared in previous issues. In the current issue, among other important documents, will be found:—

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FATHER E. GHERZI: THE CLIMATE OF CHINA
MR. E. KANN: CURRENCY AND BANKING
FATHER P. M. D'ELIAS R. C. MISSIONS
DR. TA CHEN: LABOUR PROBLEMS
DR. M. T. Z. TYAU: GREATER SHANGHAI
MR. OWEN LATTIMORE: CHINESE TURKESTAN AND MONGOLIA
REV. C. L. BOYNTON: PROTESTANT MISSIONS
DR. J. B. GRANT: PUBLIC HEALTH

The Editor, who is himself a leading authority on Chinese affairs, is the author of several works on China, Editor of "Oriental Affairs" and has lived for over thirty years in the country.

On sale at all the leading booksellers or from the printers and publishers:

North-China Daily News & Herald, Limited

17 The Bund, Shanghai.

New Books of Interest in the Far East

"Emperor of Manchukuo"

Twilight in the Forbidden City. By Reginald F. Johnston, K.C.M.G. With a Preface by the Emperor. Published by Victor Gollancz, Ltd. London, 1934, 486. pp. Price 18s. net.

This book by Mr. Johnston, formerly tutor to Aisin-Gioro Pu-Yi, heir to the Manchu Throne and now "Emperor of Manchukuo," is a well-written contribution to the literature concerning the decline of the Manchu Empire, of particular interest at this time when the empire is being revived under Japanese auspices. Mr. Johnston's bias in favor of his former pupil, and in favor of monarchy in general and the Manchu rulers in particular, is evident, and must be kept in mind (though, indeed, it is usually fairly obvious) when reading the book. Making allowances for this, however, and for many pages of mere description or of palace gossip, the work remains a worth-while one for those interested in the subject.

The "twilight" referred to in the title is, of course, that of the period, from 1912 to 1924, when the heir to the Manchu Throne, though shorn of all political power, continued to hold court and occupy his throne in the Forbidden City, surrounded by a thousand eunuchs and by untold treasures accumulated through centuries of Manchu rule. The book, however, starts many years before the declaration of the Chinese Republic. The first chapters deal with the reform movement of 1898, its collapse, reaction and the Boxer movement, and the last years of the ill-fated Kuang-Hsu. With regard to individuals, this section is very well done. The ignorant and vicious Empress Dowager responsible for the Boxer horror, and for the terrible fate of tens of thousands of Chinese and hundreds of foreigners in this, is delineated without retouching, in contrast to the many foreign writers who have referred to her as "one of the greatest rulers in history," "the greatest ruler China has ever seen," and similar nonsense. This, be it noted, is particularly a Western myth, undoubtedly fostered by the sycophantic "ladies of the foreign Legations" in Peking, who actually accepted invitations from the murderous old woman both before and after the Boxer ferocity, toadied to her, "listened to her prattle with childish delight," so impressed were they at an invitation from a real Empress Dowager. (This contemptible breed of toadies—male and female—still survives, to sing high the praises of any scoundrel in office who will be "friendly" and "hospitable" to them.) As for historical accuracy, however, Johnston declares that he knows of no Chinese authority of any standing who takes the view that T'zu-Hsi kept the dynasty alive by her "consummate gifts of statesmanship," some declaring flatly (as early as 1900) that she had been "rushing the empire to the verge of ruin." Johnston agrees with this Chinese viewpoint, and is wholly justified in doing so. His chapter on the Empress-Dowager T'zu-Hsi is an excellent one, and his appreciation of the tragically unfortunate Kuang-Hsu is also worthy of note.

But while there is this careful study and delineation of individuals —and also of such details of the Imperial system and traditions as gave the Empress-Dowager supreme power in the land, even over the Emperor himself,—the major forces at work in the land are left unexplained. Mr. Johnston makes it clear that the foreign armies, after their occupation of Peking at the time of the Boxer affair, when the fate of the Empire lay in their hands, actually invited T'zu-Hsi back into power again, passing over the liberal and progressive Emperor Kuang-Hsu, whom they permitted to remain a pitiful prisoner in the old woman's hands. Johnston criticizes this action, and even mentions the account (which he declares "incredible") of Kuang-Hsu fleeing to the British Legation for asylum and being refused it, but he does not state the most obvious and fundamental of all facts—that the foreign Powers in China were following their consistent policy of lending their support, as at every period of crisis, to the most conservative and reactionary regime available, against the Chinese people. This is what they did in 1900, even though the collapsing regime they propped up anew had been responsible for the murder of hundreds of their kinsmen and thousands of fellow-Christians. In the same way, Johnston is silent about the rape of Peking and massacre of its people by the foreign forces at the time. The fact is that Johnston, as a good monarchist, despises the democracy, and like Ku Hung-ming "resented the introduction into China of democratic ideals of a type that was alien to the Chinese spirit"—alien, it should be added, to the "European spirit" also down to very recent generations, and still alien to many, apparently including Mr. Johnston. The latter remarks significantly, regarding his wedding presents to Pu-Yi (subsequently nationalized with other Imperial property), that "it was emphatically not my intention to present them to the Chinese people."

It is through concealment of facts, through attitude, and through implications, that Mr. Johnston succeeds again and again in conveying false impressions. When there is some statement so palpably questionable as to raise a question as to his veracity, he avoids responsibility by simply quoting the *Peking and Tientsin Times* (until recently edited by the notorious Woodhead), the equally unreliable Rodney Gilbert, or the Japanese organ the *North China Standard*, confining himself to asserting that the matter in

question is "not mere gossip" but "based on fact." This is particularly glaring in his chapter on "monarchist hopes and dreams," where he groups together a number of newspaper articles extending over a period from 1919 to 1921, regarding a "coming resuscitation of the Manchu monarchy,"—predictions which were wholly false, and never materialized in any way, but which Johnston takes as a basis for his statement: "I have found it difficult to explain the statement in the Lytton Report that the Manchurian independence movement 'had never been heard of in Manchuria before September, 1931,' except on the assumption that the evidence for the existence of such a movement in the interests of the old monarchy had not been laid before Lord Lytton and his colleagues." If Johnston has any evidence whatsoever of such a nature, it is strange that he should not at least have brought it to the attention of the Lytton Commission, which was wholly unable, in spite of the assiduous aid of Japanese as well as Chinese (and Mongol and Manchu) assistants and informants, to find any trace of it. It seems fair to conclude that no such movement existed, outside of the "hopes and dreams" of visionaries.

On the other hand, the attempt of Prince Su, several years earlier, to engineer a Manchu restoration movement with Japanese support, with an Imperial army trained in Dairen by Japanese officers and Mongol bands supplied with Japanese arms, is not mentioned anywhere in Johnston's book. It is apparently because this one lone and futile attempt, at re-establishing the monarchy on a Manchurian base, was so much in the hands of the Japanese, that Johnston omits it. It would not be useful for his purposes. (If by any chance he is unaware of this little adventure he is respectfully referred to Baron Shimpei Goto's booklet on it, published over seventeen years ago, entitled "The Activities of Japanese Nationals and Troops in Manchuria and Mongolia," which coming from a Japanese official source should command Mr. Johnston's respect and attention.) The noted Chengchiatun incident, of which Mr. Johnston may have heard, grew immediately out of this monarchist adventure.

The author's facility for making false statements by indirection is shown in many places, particularly with regard to Manchuria. He states, for example, that the administrative change inaugurated in Manchuria in 1907, bringing "the ancestral home of the Manchu dynasty," for the first time, into line "with the provinces of China Proper," was "initiated by the Manchu court itself not because it had any intention of making a present of the 'three eastern provinces' to China, but for practical reasons of state. . . ." Here is definitely an attempt to create a false impression, as if the northeastern provinces were a sort of ancestral estate of the Manchus, never previously a part of China. As a matter of fact, the Liaotung peninsula was settled by Chinese farmers more than two thousand years ago, and South Manchuria was a part of the Chinese provincial system under every Chinese dynasty that held power in North China. The area which constituted "the ancestral home of the Manchu Dynasty" was a very small part of Manchuria. The northeastern provinces, however, were naturally the first conquered at the time of the Manchu expansion three hundred years ago. They were conquered by the sword—and by diplomatic alliances—like the rest of China. When the Manchus were no longer able to retain them with the sword they passed from Manchu hands like the rest of China. To speak of the great territory of Manchuria as if it were a private estate that the Manchus had the right to "present" or not to "present" to "China" is simply nonsensical, particularly in view of the fact that by 1907 the population even of the former Manchu districts was overwhelmingly Chinese, while the Manchus themselves were ceasing to exist as a people, having for the most part (even the Imperial family) quite forgotten the Manchu tongue.

Things of this kind necessitate the making of reservations in recommending the book. For the most part it is interesting, informative, and honest, but there are points again and again where the author's pro-Manchu, pro-monarchist, and pro-Pu-Yi bias has led him to make statements which are at least misleading. Of special value, however, is his presentation of the nature of the abdication (i. e., the Imperial declaration that China was to be a Republic) and the "articles of favorable treatment" under which the heir of the Manchu line remained a virtual prisoner in the Forbidden City, with his empty title, throne, and court, for twelve years after the proclamation of the Chinese Republic. Useful as is Mr. Johnston's publication of documents, and description of the situation, however, his conclusion regarding the "articles of favorable treatment" that "*their unilateral cancellation by an act of brute force, and by virtue of a presidential mandate extorted by an illegal cabinet from a president who was not a free agent*, cannot be defended" (author's italics) is rather naive. Mr. Johnston is surely aware that the cancellation of an emperor's privileges is usually unilateral, and very frequently brought about by "an act of brute force," royal rulers having a marked tendency to hang on to their privileges as long as they can. As regards "brute force," however, Johnston's pupil got off very easily, considering what has happened to some other potentates who were "unilaterally cancelled."

Mr. Johnston's portrait of Pu-Yi himself is an interesting one. The author tends to stress the better and "soft-pedal" the weaker sides of his royal pupil's character, which is quite understandable. A couple of points stand out to Pu-Yi's credit, first in importance being his defiance of his relatives and of the Imperial Household Department in summarily dismissing, in 1923, the whole staff of eunuchs who were continuing to fatten from the Republican sub-

In the United States Court for China

FRANK HOWELL COLE, Plaintiff,
vs.
LILLIAN LOUISE COLE, Defendant.

Cause No. 3706
Civil No. 1693
ORDER
Filed at Shanghai, China, August 7, 1934.
William T. Collins, Clerk.
L. T. Kenake, Asst. Clerk.

The object of this suit is an action for divorce.

WHEREAS, plaintiff herein, by his attorneys, has this 30th day of June, 1934, made application for the substitution of publication for personal service upon the defendant herein; and

WHEREAS, it appears from the files in this case that on the 4th day of August, 1934, the summons for defendant was returned by the United States Marshal for China with the following noted thereon: "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS, it appears from the files in this case that on the 30th day of June, 1934, the plaintiff herein filed an affidavit to the effect that the defendant does not now reside in China nor has she resided therein at any time, and that defendant's last known address was 126 Clarkson Avenue, Brooklyn, New York;

NOW, THEREFORE, it is this 7th day of August, 1934, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the "CHINA WEEKLY REVIEW" Shanghai, China—a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause her appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occuring after the 25th day of August, 1934, the day of last publication of this Order; otherwise the case will be proceeded with as in case of default.

BY THE COURT:

Dated at Shanghai, China,
this 7th day of August, 1934.

MILTON J. HELMICK,
Judge.

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sidies and the sale of palace treasures. This drastic step showed Pu-Yi capable of determined action at times. Another interesting point, testifying that the young man was at least not a moron (though perhaps even this may depend upon one's opinion of poetry), was the fact (there is no reason to doubt it) that he was at the age of sixteen an "anonymous contributor of verse to several Peking periodicals" under the name of Teng Ch'iung-lin, much of his poetry being published in the *Yu-Hsi Jih Pao*.

Where Mr. Johnston is dealing with the internal affairs of the Manchu imperial family, the imperial household, the palace, dynastic history, etc., he is at his best, both readable and reliable. His tendency, in this connection, to favor his own pupil, is quite understandable. He makes several corrections of blunders by Bland and Sokolsky, and his analysis of Yuan Shih-k'ai and the "revolutionary settlement" of 1912 is keen and competent. Where, on the other hand, he is dealing with the relations of the Manchus to Manchuria, between the Manchus and the Republic, between Japan and China or Russia, between Japan and the monarchist or "independent Manchurian" movement, the reader must be careful to allow for a bias which leads the author to make definitely misleading statements, some of which have been referred to above. His explanation of his former pupil's present position is that "by the Articles of Favorable Treatment," cancelled by Feng Yu-hsiang's regime in Peking in 1924, "the Ta Ch'ing emperor was entitled to retain the full imperial style (without the prefix of 'ex') and that those Articles had never been abrogated by any legal or constitutional process . . . . It follows from this that the full imperial title has never ceased to be his majesty's by right, and that even his proclamation as emperor of Manchuria in 1934 effected no alteration in his imperial status but merely marked a dynastic transition. The title of Ta Ch'ing emperor was discarded and was replaced by a new imperial title intended to indicate the beginning of a new dynastic era."

Mr. Johnston takes exception—to some extent justifiable—to the common practice of referring to his pupil as "Mr. Henry Pu-Yi." This is, indeed, a barbaric and absurd form, using a foreign given name with a Chinese given name, with no surname. It is to be noted, however, that statements issued by Pu-Yi's own Japanese friends have used this form, from which one would suppose that he raised no very strong objections. The primary difficulty is that Pu-Yi never used his family name of Aisin-Gioro. The survivors and heirs of the Romanoff, Hapsburg, Bourbon, and other "unilaterally cancelled" royal families were subsequently known by their proper surnames, but the Manchu house of Aisin-Gioro, even in its darkest hour, never used its surname. If Aisin-Gioro P'u-Yi desired to use only his given name, with at times a foreign given name, it is difficult to see that anyone but himself (and, of course, the imperial tradition) is to blame for other persons following this example. In which connection it is rather amusing to note that Mr. Johnston has apparently not convinced even his own publishers that "the full imperial title has never ceased to be his majesty's by right," as the blurb on the jacket of the book begins "In view of the enthronement of P'u Yi (former Emperor of China) as Emperor of Manchuria. . ."

With reservations of the kind already noted, and the additional caution that the book is not wholly free of minor errors of an evidently quite accidental kind, Mr. Johnston's book may be recommended, if one can afford it. It is attractively printed and published, well illustrated, and contains a dedication "To His Majesty the Emperor Pu-Yi," a preface by that gentleman, a "pedigree of the Manchu Emperors," notes, and indices both of subjects and names. There is no bibliography, though a number of books and periodicals are quoted in the text and appended notes. A typographical peculiarity of the book is the invariable spelling of royal titles or forms of address, whether "king Edward VII," "the emperor Kuang-Hsu," "prince Su," "his majesty," or any other form, without capitalization of the title. One almost wonders if Mr. Johnston can possibly be, in his secret heart, an ultra-democrat.

H. H.

Two Books on Chinese Military Subjects

Liu Tse-hsu, Pioneer Promoter of the Adoption of Western Means of Maritime Defense in China, by Gideon Chen, Peiping; Department of Economics, Yenching University; Sole Agents, French Bookstore, Price $1.00.

Field Service Regulations of the Chinese National Army, Translated by J. V. Davidson-Houston, Captain of the Royal Engineers and R. V. Dewar-Durie, Lieut. Argyll and Sutherland Hlders. Peiping: French Bookstore.

The author of the first-mentioned volume is Professor of Economics and Dean of the College of Public Affairs at Yenching University. This brochure of 65 pages is part of a larger work entitled "Pioneer Promoters of Modern Industrial Technique in China," the study of which begins with Lin Tse-hsu, continues with Tseng Kuo-fau, Li Hung-chang and others, and ends, with Chang Chien of Nantungchow. The purpose of the study, as the author points out in a preface, is to go over the scattered materials—official documents, correspondence, biographies and other contemporary writings—in both Chinese and foreign sources—with the aim of descovering the attitudes of the responsible statesmen of the day toward the impact of Western machine civilization and to determine the policy these men attempted to carry out for China, as well as the results of same.

Lin Tse-hsu was the Imperial High Commissioner at Canton who gave the order to destroy British opium and thus brought about the so-called Opium War. He was the pioneer in the movement in China to urge the use of armaments on Western lines, brought to this point of view by his bitter experience at the mouth of British cannons.

The Chinese name for the Regulations is "Chen Chung Yao Wu Leng" (陳中要務令) The book has been compiled to aid military students. It is now part of the second-year syllabus for officers of the British Services on language study in China and is being included in the list of books recommended for study by officers attached to the office of the American Military Attache.

The appearance of these two books practically simultaneously is but another evidence of the rapidly growing interest that is being taken in military matters in China, not only by the Chinese themselves, but by foreigners.

A Guide to Shanghai and Vicinity

All About Shanghai and Environs; a Standard Guide Book. Published by The University Press, Shanghai, August, 1934; 244 *pp.*, $2.50.

Announced as an annual publication, and heralded as the "biggest small book you ever saw," the University Press of Shanghai has just published and placed on sale "All about Shanghai and Environs," a Standard Guide Book.

The claim is not without justification, for although of a size to comfortably fit one's pocket, the book, clearly printed and completely illustrated, contains more than 60,000 words of reading matter, pertaining not only to Shanghai but to Hangchow, Wusih, Soochow, Nanking, Tientsin, Peiping, the Yangtsze Gorges, Pootoo and China's "Holy Land" of Shantung Province as well.

Although announced as being primarily intended for the information and guidance of the new-comer to Shanghai the book in reality takes in much of the field of a handbook, containing original and interesting historical and statistical information. Of particular interest are two maps of Shanghai, one drawn in 1853, a most engrossing picturization of the Shanghai of that early day, and another of the modern city, drafted in 1934. There is also a picture of The Bund as it appeared in 1839.

A feature of distinct value, almost of textbook calibre, is the "Chronology and Historical Digest of Modern Shanghai," a vividly written snapshot history of the city.

The following chapter headings give some idea of the scope of the book: Historical Background, Governments of Shanghai, Shanghai's Commercial Importance, Population, Arrival at Shanghai, Seeing Shanghai, Native Chinese Life, Entertainment and Night Life, Communications, Financial Information, General Information, Excursions From Shanghai, Gods-Legends-Superstitions, Arts and Crafts, Miscellanea, Historical Oddments, Leaving Shanghai, Appendix One: Police Powers; Appendix Two: Chronology and Historical Digest of Modern Shanghai.

The illustrations are new and of genuine pictorial value.

The book will prove interesting to the old Shanghailander as well as to the Griffin.

A Biography of Smedley D. Butler

Old Gimlet Eye, by Lowell Thomas; Farrar and Rinehart, Inc. New York, 1933, 310 *pages, Illustrated.*

Strange as it may seem, Smedley D. Butler, the hero of this tale (as told in the first person by Lowell Thomas) came from Pennsylvania Quaker parents. When he was sixteen in 1898 he had a tremendous urge to go into the Spanish-American War. By dint of some teasing of his parents, and a falsified birth date he finally got into the U.S. Marines, and then and there began his colorful experiences.

Butler's Marine adventures took him from Cuba to the Philippines, from China to Honduras; then followed Nicaragua, Panama, Mexico, Haiti, Europe and again China. His story is full of his own vitality and zest for change, work and adventure. It must be read to be appreciated. If you read rapidly it will give you an evening's entertainment, if you are slower it will last for several sessions. And throughout the book you will find Butler the same vivid personality, keyed up for adventure and finding it everywhere.

G. B. S.

June, 23 1934.

Recent Pamphlets Received

The Annals of the American Academy of Political and Social Science for July is devoted to a discussion of the World Trend Towards Nationalism. Among the contributors are Nicholas Roosevelt, Maxwell S. Stewart, Henry Chalmers, Frank H. Simonds and Manley O. Hudson.

The July 21 issue of *Foreign Policy Reports* is devoted to a discussion of the International Labor Organization by Alice S. Cheyney.

A Runaway Wife Who Expressed Herself with Symbolism

In the Chinese court at Nantao (Shanghai suburb) August 7 Yang Chow-yuen, aged 24, asked the Court to order his wife to return to him. He said he had spent all his savings on her, but she had left him a few days previously. On her last appearance at the house she had brought only an egg, a pear and a piece of pork. Everybody, he said, knew what that meant; the egg signified dispute, the pear separation, and the pork meant "treat him like a pig." Yang got so wrought up over his tale that he seized a knife and stabbed himself in the abdomen. The judge, horrified, rushed from his bench and helped the police in rendering aid. The man was conveyed to hospital.

Kwangtung Starts Anti-Gambling Crusade

The Kwangtung Provincial Department of Finance issued an order to 27 county governments to the effect that beginning from August 1, gambling in miscellaneous forms in their counties will be prohibited. The counties where miscellaneous forms of gambling have been prevailing and will be done away with are Shun-tek, Kai-ping, Sin-hui, Tai-shan, Koo-yiu, Ching-yuen, Fah-hsien, Fat-Kong, Hok-shan, Koo-ming, Wat-nan, Tek-ching, Nan-hung, Chi-hing, Kok-gong, Ying-tek, Lok-chang, Yin-fa, Yu-yuan, Lin-hsien, Lin-shan, Mei-hsien, Hing-ming, Wu-wa, Ping-yueh, and Chiu-ling.

Shanghai Silver Holdings Decrease; Authorities Impose Restrictions

Silver holdings in Shanghai showed another decrease of more than $12,000,000 at the end of July as the exodus of white metal continued, the *Sin Wen Pao* reported Aug. 6. The value of the holdings in Shanghai was estimated at $562,398,000 at the end of the preceeding month. Silver bullion for transportation from Shanghai, Hankow, and Tientsin consigned to the interior or from one of the named ports to another, may not be shipped except when accompanied by a special permit or huchiao from the Ministry of Finance, according to an order made public Aug. 6. The order is issued as a step toward preventing the issue of unauthorized silver dollars and subsidiary coins.

Boxer Trustees Pass on Applications for Loans

At a meeting of the Board of Trustees for the British Boxer Indemnity Refund held in Tsingtao Aug. 2 the application of the Provincial Department of Reconstruction for Kwangtung for a loan of £137,000 for the purchase of cotton-spinning machinery, was referred to the Finance and Technical Committees for joint examination. The application of the Ministry of Railways for a loan of £200,000 for the purchase of materials for the improvement of the Hunan-Hupeh section of the Canton-Hankow Railway was approved.

Worms In Young Children.

Children are frequently subject to worms and although a comparatively common complaint it is the cause of much of the petulance and irritation of young children. Some of the symptoms denoting the presence of worms are, itching of the nose, colic pains, fickle appetite, distension of the stomach, foul breath, grinding of the teeth during sleep, and general wasting. The only positive sign however is the expulsion of worms.

Many instances of worms in young children have been cured by a few doses of Baby's Own Tablets, and afterwards an improvement in the children's general health is quickly apparent.

Baby's Own Tablets act in a mild way with none of the griping effects of some old fashioned worm remedies. The tablets are the prescription of a doctor, they contain nothing whatsoever injurious and are guaranteed harmless to even the youngest or most delicate child. Many of the ills of childhood—constipation, indigestion, 'wind', diarrhoea, colds, croup, convulsions, stomach-ache, readily respond to Baby's Own Tablets treatment, whilst teething pains are quickly relieved by the action of this ideal children's medicine.

Baby's Own Tablets are obtainable at chemists everywhere.

In the United States Court for China

JOSEPH AUGUST INFERRERA, Plaintiff,
vs.
MARY CHASE INFERRERA, Defendant.

Cause No. 3718
Civil No. 1703
ORDER
Filed at Shanghai, China, July 26th, 1934.
WILLIAM T. COLLINS
Clerk.

ORDER

The object of this suit is an action for the dissolution of the bonds of matrimony between the parties hereto.

WHEREAS, plaintiff herein, by his attorneys, has this 27th day of July, 1934, made application for the substitution of publication for personal service upon the defendant herein; and

WHEREAS, it appears from the files in this case that on the 27th day of July, 1934, the summons for defendant was returned by the United States Marshal for China with the following noted thereon: "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS, it appears from the files in this case that on the 27th day of July, 1934, the plaintiff herein filed an affidavit to the effect that the defendant does not now reside in China nor has she resided therein during the past year, and that defendant's last known address was 661 Lee Court, Scranton, Pennsylvania, United States of America;

NOW, THEREFORE, it is this 27th day of July, 1934, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the "China Weekly Review," a weekly paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause her appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the 18th day of August, 1934, the day of last publication of this Order; otherwise the case will be proceeded with as in case of default.

BY THE COURT,

MILTON J. HELMICK,
Judge.

BACK ISSUES WANTED

The Review will pay three dollars ($3.00) for each copy of the following issues.

Vol. II	No. 1	September 1, 1917
Vol. II	No. 5	September 29, 1917
Vol. II	No. 10	November 3, 1917
Vol. XXXI	No. 11	February 14, 1925

Mail with statement to

The China Weekly Review
160 Avenue Edward VII
Shanghai

Text of Dr. L. Rajchman's Report on League Co-operation with China

(Continued from last week)

Another function of the Advisory Committee is to co-ordinate and apportion the work of study and research represented by plans of economic reconstruction. As we have seen, a number of such problems have arisen in connection with the programme of the National Economic Council. The Advisory Committee has allotted these studies in the following manner:—

The Road Programme—

Investigations into fuel problems, to the Geological Survey. Investigations of improved roads, and of the most suitable type of motor engines and vehicles, to the Roads Bureau.

The co-operation of the League's Communications and Transit Organization for these studies, as stated already, has been requested, and Chinese technical officers will come to Geneva this summer for consultation as to the precise conduct of these investigations.

Water Conservancy—

The Hydraulic Engineering Bureau is collecting documentation which will be brought shortly to Geneva for consultation with the experts selected to visit China in the autumn of 1934.

Cotton Rationalization Commission—

The Academica Sinica is investigating the scheme for the establishment of a Cotton Industrial Study Institute.

Land Policy—

The Advisory Committee will nominate and further the work of the Technical Secretariat for the Commission of Three; in particular the methods of aerial land survey will be investigated. Co-operation of the League is requested for the work of the technical secretariat.

General Economic Problems—

The present position and future prospects of development of light industry; the analysis of the effects of tariff policy; and the currency policies as effecting economic development are under investigation, both in China and abroad, by a group of Chinese economists under the general authority of the Advisory Committee. For these studies co-operation and assistance through the League is also invited.

CHAPTER X.—RECONSTRUCTIVE ACTIVITY OF THE GOVERNMENT AS OUTLINED BY MR. WANG CHING-WEI

1.—The work of the National Economic Council, which has been described in the last Chapter, is only a part of the reconstructive activity of the Government. Other parts of its programme are carried out through the agency of the technical ministries competent in their respective spheres.

A consideration of reconstructive activities of the Chinese Government would therefore be very misleading if it omitted to mention the part of the reconstruction programme with which the National Economic Council is not associated. That part has been of considerable extent, and the work already completed, carried out under exceptionally difficult circumstances owing to the depression and the disadvantages of a disturbed political situation, has been not unimpressive. Effort has been principally concentrated on the development and co-ordination of the telegraphic and telephone systems. But of especial interest, because of the important consequences which may follow from it, is the beginning of a policy directed to extending the railway system and developing a Chinese inland merchant marine.

2.—The relation between railways and roads was discussed in Chapter I. Whatever transport policy is finally found to be most advantageous it is certain that China will have greatly to extend its railway system before a large scale economic development can be looked for. At present it possesses only 7,000 miles of track, 2,000 of which represent unimportant branch lines, and tracks and rolling stock are both in a deteriorated condition. Since 1911 the construction of new lines has almost ceased.

The construction during the last two years by the Central Government consists of the following lines and sections of lines:—

Railways	*Notes*
Canton–Hankow . .	This railway, which has been uncompleted for the last twenty years, will, with the aid of a loan from the British Boxer Indemnity Fund, be finished by 1936. The line will be the main connecting one between North and South China.
Lung-Hai Railway . .	This railway is being extended to Shensi and Kansu. The line will be in operation as far as Sian, the capital of Shensi, by October of this year.
Chekiang–Kiangsi–Hunan Railway	This is a new line, built entirely by Chinese engineers. It will connect up the Yangtze provinces.

So little building has taken place during the last twenty years that the recommencement is of considerable significance. In view of this the following paragraphs, taken from a statement issued on February 19 by the Prime Minister, Wang Ching Wei, President of the Executive Yuan, is of peculiar interest:—

> The construction of railways obviously necessitates the expenditure of a substantial amount of money. Realizing the economic backwardness of the country, the late Party Leader (Dr. Sun Yat-sen) advocated a policy of inviting foreign capital for investment in Chinese railway enterprises. That policy we adhere to, fully realizing that, in order to attract such investment, we must give adequate security, at the same time maintaining the credit of the Railway Administration in regard to existing obligations. The Government therefore is paying close attention to this matter of credit. Under specific conditions, the Government will not only welcome foreign economic co-operation, but will exert all the influence within its power to safeguard the interests of its creditors. Although the Government is not in a position to repay at once the defaulted instalments of the railway loans, it is determined to make satisfactory arrangements for their adjustment, subject to proper safeguards for the protection of the mutual interests of both the railways and the creditors. During the past two years it has devised practicable measures for the amortization and readjustment of some of the domestic and foreign railway loan obligation. These are divided into three categories, namely (1) railway financing, (2) obligations for railway supplies, and (3) short-term loans. In the first category are included the obligations of the Tientsin-Pukow, Nanking-Shanghai, Shanghai-Hangchow-Ningpo, Taokow-Chinghua and Kaifeng-Loyang Railways. Measures for repayment have been devised, and some have already been carried out. The obligations of the Peiping-Liaoning Railway have been fulfilled according to the terms of the agreement. During these two years the obligations for materials supplied in the past to the railways have been readjusted and definite arrangements for settlement of obligations amounting to $100 millions have been made with the British and American creditors. The short-term loans, forming the third class, are mostly contracted from Chinese banks; measures for their amortization have been devised, and some have been already carried out.
>
> It is true that not all the railway obligations of the Government have been so readjusted and amortized, but if we continue to follow the policy now being pursued, the day will come when we shall have amortized all our obligations. Foreign creditors have been criticizing the Government for failure to pay off its obligations on maturity. While this failure is regretted, we wish to call the attention of our creditors to the following two points: In the first place, the failure of the Government to liquidate its obligations has sometimes been due to sudden and unexpected turns in the political situation. Such things happen not only in China, but also in America and Europe, and we cannot blame any one party or circumstance for such failures, since their causes are complicated. For instance, with the outbreak of the World War in 1914 various foreign financial groups failed to fulfil the terms of their loan agreement entered into with the Chinese Government, with the result that construction work on several railways in this country was suspended, and in consequence heavy financial loss was sustained by the Government, since interest on the instalments already advanced had to be paid. While our creditors cannot be wholly blamed for this, it is also true that the blame cannot be laid entirely at the door of the Chinese Government. Again, due to the world-wide economic depression and depreciatioin of silver, the financial obligations of the Government have been largely increased, while at the same time railway revenues have considerably decreased. Since the economic depression and its various reactions are like a natural catastrophe against which no country can offer effective resistance, it is scarcely fair to put the blame on China alone.
>
> In the second place, it should be understood that the Government has no intention whatsoever of evading repayment of its matured loans, and is anxious to find ways and means of meeting its obligations, but the first essential is a general revival of railway business. With increased revenues available, the interest of creditors will be more fully protected, and it is hoped our foreign creditors will co-operate with the Government to this end. The best proof of the determination of the Government to pay off its foreign railway obligations is afforded by the fact that during the last two years it has discharged a number of such obligations, thereby showing not only its desire, but its ability, to carry out its pledged word. If our foreign creditors realize these facts, and recognize the difficulties with which the Government is faced, their sympathetic co-operation will promote the interests of both parties.

(To be continued)

New 80 H. P. Ford V-8 Trucks Provide Strength and Speed

The new Ford V-8 truck now on display in Shanghai is designed to meet the widely varying conditions of truck service, including the severe demands of heavy duty and high speed operations. Every part, according to the engineers who designed it, is full truck-size, there having been no compromise between truck and passenger car requirements in its construction. The 80 horse-power V-8 truck engine with heavy-duty bearing inserts, large size clutch and transmission, heavy driving gears, together with the torque tube and radius rod drive, permit utilization of the engine's full power without undue strain on any part of the driving mecharism or chassis. Unusually large braking areas and specially designed drums of the mechanical braking system provide maximum braking safety.

Not only is the new rear axle of the full-floating type but increased strength has been built into the entire rear and design.

The differential housing is heavily ribbed to resist deflection of the ring gear and the thrust plate which resists deflection of this gear under sudden strains is larger in surface.

The new Ford V-8 truck engine is compact and easily serviced. It is more economical in operation, delivering a greater power output per gallon of fuel than any other Ford engine ever built. New truck-type cylinder heads with newly-designed combustion chambers, combined with the newly dual carburetion give more power with decreased compression.

The new high lead bronze connecting rod bearings, are designed to provide the ruggedness and long life necessary for heavy-duty or highspeed service. The new heavy-duty truck crankshaft is of a cast alloy steel developed by Ford to withstand hard truck service.

Inserts of a wear-resisting alloy steel are used in the exhaus value seats. These resist the extreme heat of exhaust gases and contribute to operating efficiency and low cost of engine maintenance. Water jackets, which extend to the bottom of the cylinders and along the crankcase walls, not only cool the engine but maintain proper oil temperature. Water line thermostats help to warm the engine quickly in cold weather and thus minimize crankcase oil dilution. All these features contribute to better performance and increased fuel and oil economy.

The transmission provides four speeds forward. The four forward speeds furnish the wide range of power required for all phases of truck operation, from pulling heavy loads against poor traction conditions to highspeed service on paved highways. Because of the use of the torque tube and radius rod drive, which carry all driving and braking forces direct to the frame, the springs have only one duty to perform—that of absorbing road shocks and cushioning the load. This permits the semi-elliptic rear springs to be freely-shackled at both ends, providing improved riding comfort and protecting fragile loads.

British Naval Visit to Dairen Spoiled by Alleged Rowdiness of Sailors

The Japanese Military Information Service gives further details of the clash between British and Japanese sailors at Dairen July 29 and 30. It is stated that the incident was something which had never happened before in Dairen, as the drunken British sailors infringed sovereign rights and ignored Japanese laws. A strong protest was lodged by the Japanese authorities with the British authorities, both consular and naval. Owing to the seriousness of the incident, the Japanese authorities in protesting in the British authorities, asked them to agree to the following conditions, such as severe punishment for the culprits, to accept full responsibility for the future behavior of their men, compensation for the injured Japanese, and also to pay for the damage inflicted to property. These conditions where accepted by the British authorities, who recongized what these drunken sailors had done, thus the incident was amicably settled. However, the British authorities concerned, fearing a repetition of such incident, stopped all further shore leave on July 30, and the British warships left Dairen for Weihaiwei on July 30, having curtailed their stay in the port of Dairen owing to this regrettable incident.

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Real Estate Review by Realty Investment Co.

The recent decorations on Avenue Joffre brought out with new emphasis what an important business street it is in Shanghai. The largest permit for the week is on the North Side of Avenue Joffre, at the junction of Route Voyron, which in turn is the short street leading to the French Park. The plans call for one large semi-foreign residence and twenty semi-foreign houses with seven garages. There are two other permits in the French concession, one is on Route de Sieyes, near the corner of De La Tour. It is for a semi-foreign house with garage. The other is on Rue Ratard, East of Route des Soeurs, and is for 2 Chinese houses.

The Eastern District has the largest number of permits. They follow :—

On East Seward and Yuenfong Roads, garages and servant quarters.
On Haichow Road, East of Ningwu Road, 3 Chinese bungalows and an open shed.
Corner of Pingliang and Jansen Roads, 5 Chinese bungalows.
Yochow Road, between Chusan and Alcock Roads, 10 Chinese Hongs, 5 Chinese shops.
Chemulpo Road, South of Ward Road, a drying room and an extension to the boiler house.
Off Lungkow Road, Extension between Lay and Meichow Roads, an air conditioning plant.

In the Western District of the Settlement plans have been approved for an important addition to a private school property off Kiaochow and Changping Roads.

In the Central district on Ningpo Road, between Kiangse and Honan, plans approved for alterations and additions to a Chinese Hong.

Northern district, off Quinsan Road, East of Chapoo Road 6 Chinese houses.

Technical Assistance by League to China Approved by Great Britain

R. A. Eden, Lord Privy Seal, stated in the House of Commons that the question of continuing technical co-operation between the League and China will be discussed at the next meeting of the League Assembly. The British Government, he said, approves in principle any assistance given by the League to China in the interests of China and the world generally.

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The National City Bank of New York, Rates of Exchange

Shanghai, Aug. 8, 1934

Demand selling rate on America :	U.S.$100=Sh. $ 2.88
Demand buying rate on America :	U.S.$100=Sh. $ 2.85
Demand selling rate on London :	£1.0.0=Sh. $14.65
Demand rate buying on London :	£1.0.0=Sh. $14.43

Latest New York Stock Exchange Quotations

Market—Very Dull. Business Done 400,000 Shares

August 8, 1934

1933-34 High	1933-34 Low	Div. $ per Sh.	STOCK	Mon. Aug. 6	Tue. Aug. 7
4	3	—	Adams Express	6½	6¼
13⅝	11¼	0.60	Alaska Juneau	21¼	20½
33	70⅝	6.00	Allied Chemical & Dye	123	122
160	19½	4.00	American Can	93¼	97⅝
107⅛	5⅞	—	American & Foreign Power	5⅝	5½
19⅝	3¼	—	American Metal Company	17	17½
27¼	10⅜	—	American Smelting	34	33⅝
53½	86½	9.00	American Tel. & Tel.	108¼	107⅞
134⅝	50⅜	5.00	American Tobacco "B"	74¼	74⅞
94⅝	10⅞	1.00	American Waterworks	15⅝	15
43¼	5	—	Anaconda Copper	11⅝	11⅝
22⅞	5⅞	—	Atlas Corporation	8⅝	8⅛
18⅞	31	2.00	Auburn Automobiles	19¼	20
84⅛	8¼	—	Baltimore & Ohio	14⅛	14¼
37⅞	10⅜	—	Bethlehem Steel	27	26
49½	18	1.60	Borden Company	24⅞	24⅞
37⅝	5½	0.25	Borg Warner	19	18⅝
28½	7½	—	Canadian Pacific Railway	13⅝	13⅝
20⅞	30½	—	Case, J. I.	27	26⅝
103⅛	16⅝	1.40	Chase National Bank	24⅝	24⅝
47⅞	14⅞	2.50	Chesapeake Corporation	37¼	37⅜
52⅛	7⅝	1.00	Chrysler Corporation	30⅝	29⅞
59	9	0.50	Columbia Gas & Electric	9	8⅞
23⅛	1⅜	—	Commonwealth & Southern	1⅝	1⅝
6⅛	34⅛	3.00	Consolidated Gas of N. Y.	27¼	27⅜
64⅛	4⅞	—	Continental Oil	17¼	17½
22½	2⅝	—	Coty Inc.	4½	4⅝
9	1½	—	Curtiss Wright Company	3	2⅞
5⅛	32¼	*2.00	Du Pont de Nemours	84⅞	85⅝
103⅞	46	3.00	Eastman Kodak	98	96⅞
100⅝	10	—	Electric Bond & Share	11	10⅜
41⅝	3¼	—	Electric Power & Light	3⅝	3⅝
15⅜	12	—	Fox Film "A"	10	10
19	2⅞	—	General Aviation	4	4
10⅜	10½	0.40	General Electric	18¼	18
30¼	21	1.50	General Foods	29½	29⅝
29⅞	10	*1.00	General Motors	27	28
42	13¼	1.00	General Railway Signal	28¼	28¼
49½	12	1.20	Gold Dust	17½	17½
27⅜	9¼	—	Goodyear Tire & Rubber	20⅜	20¼
47½	6½	—	International Cement	20	20⅞
40	13⅜	0.60	International Harvester	25	23⅝
46⅛	6⅜	—	International Nickel	24¼	24¾
29	5⅛	—	International Tel. & Tel.	9	9⅛
21⅜	21¼	—	Johns Manville	40¼	39⅝
66⅜	7⅜	—	Kennecott	18⅝	18
26	37½	2.40	Lehman Corporation	65¼	65
79⅜	49¼	*4.00	Liggett & Myers "B"	94	94¼
99⅜	8½	1.00	Loew's Inc.	24⅞	24½
36½	10⅜	1.20	Lorillard P. (Com.)	17	17
25¼	8⅜	—	Montgomery Ward	21¼	20⅝
35⅜	16⅞	1.00	National City Banks (bid price)	23⅝	22⅝
64⅛	5⅜	—	National Distiller	18¼	17⅝
41⅜	14	—	New York Central	20¼	20¼
58½	12¾	80%S	North American	13⅜	12⅝
36⅛	31½	2.00	Owens Illionois Glass	65	65
96⅜	15	1.00	Pacific Gas & Electric	15¼	15¼
31⅞	1⅜	—	Packard Motors	2⅛	2⅛
6⅞	13⅜	0.50	Pennsylvania Railroad	22¼	20¼
42¼	1⅜	—	Pennroad Corporation	2	2
6⅜	4⅜	—	Phillips Petroleum	15⅜	15½
20⅜	3	—	Radio Corporation	5¼	5⅛
12¼	26½	3.00	Reynolds Tobacco "B"	45½	44⅞
54¼	12⅛	—	Sears Roebuck	32¼	31½
51¼	6	1.00	Socony-Vacuum Corporation	13⅜	13½
19½	14¼	2.00	Southern California Edison	14	13⅞
28	5½	—	Standard Gas & Electric	7½	7½
22½	22⅜	1.00	Standard Oil Co. of N. J.	42⅜	42⅜
50⅛	45⅜	3.80	Sterling Products	60¼	60¼
61⅜	1⅛	—	Studebaker	2⅞	2⅞
9	10⅜	1.00	Texas Corporation	21½	21½
30⅛	2⅜	0.12	Transamerica	5⅜	5⅜
9⅜	19⅜	1.00	Union Carbide & Carbon	40¼	39⅞
51⅜	61¼	6.00	UnionPacific	95	91
133¾	16½	—	United Aircraft & Trans.	15⅛	15¼
46⅞	4½	—	United Corporation	4	3⅞
14¼	13⅜	1.20	United Gas Improvement	14⅝	14⅝
25	2⅞	—	U. S. Rubber	13⅜	13⅜
25	22⅜	—	U. S. Steel	33¾	33¼
67½	21½	*2.00	Universal Leaf Tobacco	Unq.	21⅜
51½	19⅜	—	Vanadium	16	16½
31⅜	25¼	—	Warner Bros. Pictures	3⅝	3½
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80	18	5.50	Cities Service Power & Light 5½s/52	44⅜	45
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